DOCUMENT RESUME

ED 164 223 RC 011 063

TITLE Bureau of Indian Affairs Organization. Hearings Before the United States Senate Select Committee on Indian Affairs, 95th Congress, 1st Session on Oversight on the Organization of the Bureau of Indian Affairs (July 13 and August 1, 1977).

INSTITUTION Congress of the U.S., Washington, D.C. Senate Select Committee on Indian Affairs.

PUB DATE 77

NOTE 355p.; Not available in hard copy due to small print size of original document

EDRS PRICE MF-$0.83 Plus Postage. HC Not Available from EDRS.

DESCRIPTORS Administrative Organization; *Agency Role; *American Indians; Budgeting; Bureaucracy; Evaluation; Federal Government; Hearings; Interviews; Legislators; *Management; *Organization; Program Evaluation; Research; Role Conflict; Self Determination; *Systems Analysis; Tribes

IDENTIFIERS *Bureau of Indian Affairs; Congress; *Federal Indian Relationship

ABSTRACT

Problems in the administration and management of Indian affairs were identified in two hearings held during the summer of 1977. The July 13 meeting featured non-governmental witnesses; much of the discussion focused on findings of a management study of the Bureau of Indian Affairs (BIA) initiated by the American Indian Policy Review Commission. The study made 23 specific recommendations for improving management activities in the areas of budget process, personnel management, and management information; it was suggested that BIA area offices be reduced and that increased emphasis be placed on agency level service delivery. Two witnesses from Indian organizations appeared to suggest needed changes in the BIA; another witness discussed ways to improve legal enforcement and implementation of the federal trust responsibility to Indians. The August 1 meeting featured testimony from governmental witnesses as officials from the Department of Interior and BIA appeared to present their views on the changes suggested by the management study. This document features the hearing proceedings as well as both informal and prepared statements of the witnesses. Also included are a statement prepared by the BIA responding to questions on its organization, a study of administrative conflicts of interest in the protection of Indian natural resources, and the report of the BIA management study. (DS)

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RC 011063

BUREAU OF INDIAN AFFAIRS ORGANIZATION

HEARINGS

BEFORE THE

UNITED STATES SENATE
SELECT COMMITTEE ON INDIAN AFFAIRS

NINETY-FIFTH CONGRESS

FIRST SESSION

ON

OVERSIGHT ON THE ORGANIZATION OF THE BUREAU OF INDIAN AFFAIRS

JULY 13 AND AUGUST 1, 1977

U.S. DEPARTMENT OF HEALTH,
EDUCATION & WELFARE
NATIONAL INSTITUTE OF
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U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1978

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BUREAU OF INDIAN AFFAIRS ORGANIZATION

WEDNESDAY, JULY 13, 1977

U. S. SENATE,
SELECT COMMITTEE ON INDIAN AFFAIRS,
Washington, D.C.

The committee met, pursuant to notice at 10:10 a.m. in room 1114, Dirksen Senate Office Building, Senator James Abourezk (chairman of the committee) presiding.

Present: Senators Abourezk and Melcher.

Staff present: Alan Parker, chief counsel; Ernest L. Stevens, staff director; and Karl Funke, assistant counsel.

Chairman ABOUREZK. The meeting of the Senate Select Committee on Indian Affairs will come to order.

This oversight hearing is one in a series on the administration and management of Indian affairs. The purpose of the hearing today is to take testimony from nongovernmental expert witnesses on the Federal administration and management of Indian affairs by the Department of the Interior and its various bureaus and divisions.

On July 20, and possibly July 21, we will hear from witnesses of the Department of the Interior and other agencies on the administration and management of Indian affairs and Interior's current plans for implementation of the American Indian Policy Review Commission recommendations, or other plans the Department might have relating to the administration and management of Indian affairs.

Additional hearings will be held in regard to the Federal budget process in relation to Indian affairs, Federal Indian domestic assistance programs, and the independent Indian agency concept on July 29, August 3, and September 8, respectively.

The American Indian Policy Review Commission has identified several areas of concern and developed recommendations for the improvement of the administration and management of Indian affairs. We hope that the hearing will assist both the committee and the executive branch in identifying problems and deficiencies in the administration and management of the complex area of Indian affairs.

I would like to welcome our first witnesses this morning: a panel consisting of Mr. James L. Biba and Mr. Ray C. Goetting. Mr. Biba is a management consultant, and Mr. Goetting is a consultant to the Laguna Pueblo.

Both of these individuals were involved in the management study of the Bureau of Indian Affairs during the American Indian Policy Review Commission's work. Jim Biba was at that time with Warren King, and Ray Goetting was one of the Commission staff who oversaw the work of the management study itself.

I would like to ask you both to come forward.

I want to also ask if there is anybody here from the Interior Department, representing the Secretary of the Interior.

I take it there is no one, because there is no response.

I take it from that that the Department of the Interior is not interested in reorganizing the Bureau of Indian Affairs.

If you are ready, gentlemen, please begin with your testimony.

STATEMENTS OF RAY C. GOETTING, CONSULTANT TO THE LAGUNA PUEBLO, AND JAMES L. BIBA, MANAGEMENT CONSULTANT

Mr. GOETTING. Mr. Chairman, we are happy to appear before this committee.

I have an opening statement I would like to make, and then Mr. Biba will present his statement. I have a prepared statement which I shall submit for the record.

In the operation of the management study, there were some critical areas summarized and developed which were not necessarily an objective of the management study to begin with—the critical evaluation that shows up in regard to the leadership of the Bureau of Indian Affairs.

I would like to emphasize the need for dynamic new leadership in the BIA, because no matter what subject is discussed, without dynamic leadership and an organizational arrangement suited to the task at the local level, implementation will probably never occur. And, 75 former studies have proven that self-implementation does not occur.

The process of implementation is the only study now required. The low evaluations of budgeting and accounting, personnel management, and management information has lead to the low evaluation of leadership. This was because corrective action was either not being taken or so slow as to be ineffective on most of the former studies.

Several areas of weaknesses known to the BIA executives were reviewed by the BIA when it was realized that Public Law 93-580 required this study.

Among those studies was one on personnel, which included the replacement of the personnel officer. This study was conducted over a year and came up with similar conclusions. That report, I assume, is in the hands of this committee.

New leadership is not yet evident, although I understand yesterday an appointment announcement was made.

A new Federal Indian policy is not yet evident. Until a new leadership team is dedicated to the objectives of progress, together with the desires of Indian people to remain as Indian people under self-government, self-determination, and striving to become self-sufficient, a cloud will remain on the present administration to practice the policy of the President regrading human rights—especially the aboriginal people of every country in the world.

Examples of such leadership here at home is not too much to ask. Indian participation is not too much to ask. The Indian voice must be heard.

With no Indian leadership yet in Interior—and there is one now—no Indian representing our people in the Office of the President, there is only one Federal Government organization, other than the BIA, devoted solely to Indians and their affairs. It is this committee of the U.S. Senate.

We want to thank you for this effort and trust you will hold fast to the principal of Indian participation with the right to make their own decisions, set their own priorities, determine their own needs, select their own leadership, and be permitted to voice opposition to governmental policy and procedures detrimental to their existence without fear of recrimination.

Your committee in the Congress is our only recourse in our effort to establish ourselves as viable communities on our own. I wish you success.

We have six specific areas of discussion in the management study.

They are leadership, organization structure, budgeting, personnel management, management information, and implementation.

There are some exhibits in the management study report which reflect the details of elements on assessments and recommendations.

The study found very few recommendations of prior studies ever having been implemented.

To set the stage on our activities at the moment, I would now like to turn it over to Mr. Biba for the manner in which the management study was organized and conducted and the professionalism that was applied to the process we went through.

Chairman ABOUREZK. Your prepared statement will appear at this point in the record.

Mr. GOETTING. Thank you.

[The prepared statement referred to follows:]

TESTIMONY BY RAY C. GOETTING REGARDING THE BIA MANAGEMENT STUDY

Mr. Chairman, I want to thank you for allowing me to testify before this Committee. I consider it a great opportunity to explain from my point of view the activities of the Bureau of Indian Affairs during the BIA management study and what action should be taken and what responsibilities this Committee has for implementation of the BIA management study recommendations within the Bureau of Indian Affairs supervised the organization of and worked with the consulting firm and the representatives of private business in conducting the management study of the Bureau of Indian Affairs required by Public Law 93–580 which established the American Indian Policy Review Commission (AIPRC). Being the liaison for Task Force Three, a former management analyst for one of the bureaus of the Interior Department, and a consultant to several Indian tribes, I have experienced similar problems of organizational structure and communications which appeared so frequently in every problem confronting the study team. These were reported by tribal and BIA leaders alike during the study period. As reported on page three of the management study and I quote "Throughout the review period, teams discovered a need to continually evaluate BIA organization structure. Although a comprehensive organizational study was beyond the scope of this project, it became evident that an organizational approach must be developed to reinforce other review proposals. A week was devoted to this effort, resulting in a fourth major topic area dealing with structure. Here, the focus was on BIA internal alignment and no attempt was made to evaluate the relationship of BIA within the federal government organization."

As you can see, the organizational structure of the BIA itself was included in an effort to implement recommendations and provide a proper basis for such. Because of this and the critical evaluation of the then leadership of the Bureau of Indian Affairs, I want to emphasize the need of dynamic new leadership in the Bureau of Indian Affairs. No matter what subject is discussed, without dynamic leadership and an organizational structure suited to the task at the local level, implementation will probably never occur. Seventy-five former studies have proven self-implementation does not occur. The process of implementation is the only study now required. The low evaluations of budgeting and accounting, personnel management and management information lead to the low evaluation of leadership. Corrective action was either not being taken or so slow as to be ineffective. Several areas of weaknesses known to the BIA executives were reviewed by the BIA when it was realized that P.L. 93-580 required this study. Among those studies was one on personnel and which included the replacement of the personnel officer. They conducted a year's study themselves and came up with similar conclusions. That report, I am sure, is available to your Committee.

Implementation is not yet evident even on that study. New leadership is not yet evident, a new federal Indian policy is not yet evident, until a new leadership team, dedicated to the objectives of Public Law 93-580 together with the desires of Indian people to remain as Indian people, under self-government, self-determination and striving to become self-sufficient, a cloud will remain on the present administration to practice the policy of the President regarding human rights, especially the aboriginal people of every country in the world. Examples of such leadership here at home is not too much to ask, Indian participation is not too much to ask, the Indian voice must be heard. With no Indian leadership yet in Interior, no Indian representing our people in the Office of the President, there is only one federal government organizational unit devoted solely to Indians and their affairs and it is this Committee of the United States Senate. We want to thank you for this effort and trust that you will hold fast to the principal of Indian participation with the right to make their own decisions, set their own priorities, determine their own needs, select their own leadership, and be permitted to voice opposition to governmental policy and procedures detrimental to their existence, without recriminations. Your Committee in the Congress is our only recourse in our effort to establish ourselves as viable communities on our own. I wish you success. I will now try to explain some of the activities and details as represented by the recommendations of the management study report.

There are actually six (6) specific areas of discussion in the management study: (1) leadership; (2) organization structure; (3) budgeting; (4) personnel management; (5) management information; and (6) implementation. The management study on page 60 reflects 23 categories of seventy-five (75) reports previous to this one. And, in Exhibits II, III, and IV, it reflects the detail elements on assessments and recommendations having been made. This study found very few recommendations of those prior studies ever having been implemented. These reports covered the past fifteen (15) years at an average of five (5) per year by several groups on various phases of operations. The same problems reported by them still exist. The Bureau of Indian Affairs has been studied to death, now it needs reincarnation not study number seventy-seven. Today, Mr. Chairman, I am employed by the Pueblo of Laguna in Laguna, New Mexico. It is one of the Nineteen Pueblos and is located west of Albuquerque, New Mexico. The membership is somewhere in excess of 5,000 members. Something slightly less than that actually live on the reservation and I would like to give you some of the experiences they find and that I have run across in attempting to apply a new centralized accounting system to provide for the Council an adequate financial base upon which to make good decisions in their efforts to develop self-sufficiency within their own community. This system, as well as a management information system, personnel management system, and records control system is being performed with the aid of Ernst & Ernst, a CPA firm, under a 638 contract from BIA.

THE BUDGET SYSTEM—BAND ANALYSIS

In multi-tribal agencies (there are ten (10) Pueblos under the Southern Pueblos Agency (SPA) of the BIA), the band has total availability of funds to all Tribes previously determined, and possibly a small percentage change up or down and a target amount. Tribes are permitted to discuss, hassle rearrange items on the band, but not change the totals of alternates previously set. This does not allow for tribal expression of true needs by Tribe. Even in the need column no tribal identity is carried through to higher levels.

Banded items are of a recurring nature—new or replacement capital needs are not permitted to be expressed by tribal governments. There is no formal budgetary process in BIA for Tribes to budget needs on unbanded items.

The system of budget preparation and submittal needs complete overhauling—the President advocates a zero based budget process which Indian tribal governments have been recommending for years. See Pueblo of Laguna Position Exhibit B-1.

The Congress is a party to the appropriation process—even the final authority, and as Congressman Yates has stated that the Congress is equally as important as the Administration, OMB, Department or Bureau. Without knowledge of the true budget needs, Congress is limited in its ability to pass good judgment in appropriating funds.

A new system is diagrammed as Exhibit B–2 which allows tribal identity through to Congress. This complies with the IRA intent to get differences between the Secretary of Interior and the tribal governments known to Congress.

The accounting reporting fund used against allocations and allocations against appropriations by the BIA is unsatisfactory.

1. The BIA stresses to tribal governments the importance of accountability, the need for prompt and accurate reports. For lack, thereof, a penalty is provided; *i.e.*,

A. A decision can be made that a Tribe is incapable of self-government and denial of 638 processes.

B. Withholding of funds, delaying payments or not making advance of funds for operations. This practice bankrupts the poorer Tribes and hampers the progress.

2. The BIA cannot or does not perform accordingly within itself. There is no accounting comparisons on a monthly reporting basis which represents current accurate fund usage according to the allocations for various offices and programs, and those allocations against the appropriations for Tribes as compared to funds used by the Bureau for itself.

3. The procedures are generally there, but execution fails miserably. In the visits to agencies and Tribes, we find accounting records maintained for local use because the great central office reports are inadequate, unusable, and incomplete. Reconcilement is necessary by the local agency to determine reliable approximations. Some agencies just maintain their own records and ignore the Central Data Processing reports. Area offices are installing their own ADP systems, duplicating and ignoring the Central BIA System.

4. The management team felt compelled to recommend this function be broken up into smaller effective units by delegating such administrative accountability to regional service centers. Requiring agency terminals to provide input to distant central hardware, processing payments, accounting, and immediate return report to the agency. Rental space and time on hardware operated by Westinghouse, G.E., Honeywell, IBM with the state of the art extremely modern instead of BIA purchasing and spending tremendous amounts on its own hardware which quickly becomes obsolete, and where employees lose touch with current developments. The BIA is not intended as an ADP designer.

5. My experience in the designing of the Tribal Systems with Ernst & Ernst at Laguna has resulted in my recommending the attached form for accountability to the Tribe for management use. It is being adopted and will be incorporated in the manual of procedures. (Exhibit B–3).

6. The Pueblo of Laguna has developed a position and recommendations for consideration of the BIA dated July 20, 1976. (Exhibit B–1). As a result of criticisms of the ten (10) Pueblos within the Southern Pueblos Agency, the report of June 25, 1976, by the reservation program officer reflects how great the inequities are when continued under the present method. See Exhibit B–4.

The ten (10) Pueblos of the Southern Pueblo Agency have gone through the Band Analysis for 1979 and the attached Exhibits demonstrate that inequities still exist. The Pueblos still consider the system unsuccessful, and they have advised that each Pueblo will submit its own band request. The process is represented in Exhibit B–5 announcing the actions in February. Exhibit B–6 reflects the Pueblo of Laguna's request for funds under band and unbanded items and what the Pueblo considers its own priorities on its own needs as generally provided by the BIA. (This practices the scheme recommended in Exhibit B–2). You will note the totals necessary to cover the needs will make up requests through other sources than BIA. To consider this request or that all Indian tribal requests would be outrageous is dispelled. This representation from Laguna displays logical, responsible tribal government planning and budgeting for federal aid. Exhibit B–7 is the actual band analysis report for the Southern Pueblo Agency for the ten (10) Pueblos within the Agency. In completing the budget presentation section, I would like to indicate that the experience at Laguna is similar to that of many of the Tribes which have been studied to death themselves by federal agencies as well as the Bureau of Indian Affairs. The budget system, the tribal needs assessment, tribal priorities all are attempted to be reconciled to fit the BIA budget and the BIA determinations as to what they think is good for Indian people. Certainly, the Tribal Councils and many Tribes themselves have a highly sophisticated long range planning capability that actually exceeds the capability as now practiced by the Bureau of Indian Affairs. The program of the Bureau and the procedures of the Bureau need to recognize this. They ought to accept the tribal presentations as to the needs and priorities as presented by those Tribes, accept it in good faith, as dedicated and responsible tribal governments. There are small Tribes and bands in California, Oklahoma, and Nevada who do not have the capabilities or the understanding of how to get programs developed, programs presented to the Bureau or to other government agencies otherwise and, therefore, suffer the consequence, so there is a need for the Bureau to have such capabilities. Today, we believe they are totally absent and the efforts to achieve these ends for those Tribes needing it is not being accomplished.

PERSONNEL MANAGEMENT

The self-evaluation study of the Bureau of Indian Affairs would agree almost identically with the findings of the management study regarding their own failures. I would like to list now elements in the management study bearing on the recommendations; first, recruiting of capable Indian people. This is really discouraged because of bureaucratic processes, unsophisticated and unprofessional work performance, qualification standards which do not recognize Indian culture, Indian history, Indian language, as well as an acceptable level of operating within the dominant society. A new mix of these elements is essential in the preparation of qualifications standards. The circulation of vacancy notices agency wide, area wide, Bureau wide, government wide, and promotion from within needs some modification as well to attract qualified Indians not now in the Bureau. It is not that within promotions are not good, but there must be, under 638, a reversal of the brain drain away from Indian communities and recognition of tribal reservations experience as an essential qualification in order to permit tribal government to effectively conduct many of those services now provided by the BIA and other government agencies, especially if self-government is to be realized. It is sometimes reported that if an Indian leaves home and is away five (5) years, he ceases to be familiar with grass roots problems. Many have heard the expression that field leaders refer to the Washington Redskins as differing from Indian community tribal leaders. Tribal leaders prefer a high degree of executive selection to come primarily from those who live within the Indian community and not those who have been away so long they are no longer familiar with local community problems.

The Indian Preference Act has actually served as a detrimental activity in personnel management. It was first required by law in the 1934 Indian Reorganization Act and required the personnel system to be free of Civil Service Commission rules and regulations. This did not mean an unregulated system basis upon merit and without fringe benefits equal to Civil Service Commissions, but rather it meant qualifications, recruitment, and processing recognizing Indian particulars at every level and to every degree necessary and to be regulated, judged, and evaluated on the basis of performance, but it would completely include Indianness as it is now recognized in Indian communities and within Indian interpretation. While the management study recognizes this requirement on page 33, it made recommendations for system corrections whether or not under Civil Service Commission or a new Indian career service. The Intergovernmental Personnel Act allows for Civil Service Commission employees to work under tribal governments and retain the salaries, leave privileges, and retirement privileges. This allows inequities within the normal tribal government employment system itself particularly those who hold similar positions or even supervisory positions over such civil service employees. Therefore, 638 and other laws need to coordinate in a new system so that equitable treatment is available for all. Whatever is developed a word here is necessary in behalf of the non-Indian employee who has given a full measure of devotion to the Bureau of Indian Affairs and to Indian people. It is not the intent of Indian people to disqualify capable and devoted non-Indian employees. But, when such qualifications, when such recruitment is necessary, grades should not be reduced merely to employ Indians.

The qualifications should remain high and let Indians aspire to meeting those qualifications and when they do, preference be exercised. There are seven (7) recommendations in the management study regarding personnel management and

I believe that most of those would fall in the comments we have just made except for perhaps the training programs that ought to be effective at every level whether within the Bureau or within the tribal government employment system. The actual development of specific fields of endeavor some particularly where Indians are not being educated, there are some fields that have very few Indians at the professional levels and, consequently, non-Indians are necessary. So, training and education becomes important in terms of developing young Indian people to study, return, and be employed at home in doing a professional job regardless of discipline involved. The opportunities need to be provided in the development of human resources and a planning system determined and developed in order to carry this out.

MANAGEMENT INFORMATION

The next section of the management study deals with management information and while much of the management information stems from statistical data, accounting records, personnel management records, employment and that type of data the mechanism by which such information is gathered and disseminated is of the greatest importance. The automated data processing system of the Bureau of Indian Affairs is outdated and outmoded. The development of modern hardware while at the time of the study we were advised was being installed. Later, we found out this was not true, but that the plans were for the purchase of and installation of new hardware to replace that which they were on hand. After evaluating the operation of data processing and particularly the manner of such activities available to the Pueblo of Laguna, it appears that the Bureau need not invest so much money in hardware of significant size or capacity when time rentals at various locations throughout the country is available. A national network is possible and available to the local facilities together from San Francisco, Denver, Chicago to Washington, D.C. With terminals at the Agency and even the tribal offices, some Tribes now have terminals for special purposes. Only the terminal system at agencies and tribal levels and the regional service centers, if that is what area offices eventually become, to perform the administrative services, accounting, statistical collection of data for usage in determining the kinds of programs, the value of programs, and whether or not the progress and objectives of the Indian people at each individual Indian community is being carried out according to their wishes.

These kinds of objectives need to be developed, standards need to be developed, a system of reporting national information needs to be developed, but there is access available to highly sophisticated modern equipment operated by Westinghouse, Honeywell, General Electric, and others that are in the business as such who maintain modern equipment and kept current at all times. The purchase of a BIA system of hardware begins to become obsolete immediately. The state of the art is so fast developing that it would appear that funds invested in this kind of machinery is really to a great extent wasted or has minimal effect. There is a report prepared and developed for inclusion in our accounting system at Laguna that I refer to in a previous Exhibit and there are other elements of the accounting and budgeting system and the use of centralized services in terms of warehousing, equipment operation, purchasing and managing not only of money and people, but also materials, supplies, and equipment. All of these are interpreted in terms of dollar requirements to perform and the specific information as to advising the Tribal Council and, even in the Bureau, the Bureau staff and executives as to how well the money is really being spent, how well it complies with the appropriations, and how well the progress is being achieved in regard to objectives intended. The stated objectives intended, of course, are very weak and mild in the BIA and there are no strong features with respect to the purposes of the Bureau in any of its definitions. It operates from an outdated manual, it has no requirements for maintenance or upkeep or revision, there are no standards by which the Bureau judges itself and, yet, it attempts to evaluate and criticize tribal governments for the lack of the same thing.

We find it very discouraging to know that one organization is bending over backward to require perfection when within itself it has not performed satisfactorily. It is rather ironic that they do not recognize or correct their own weaknesses. There is a practice in the private sector that unless there is the opportunity for employees to stay current with the state of the art in any of the professions that they too become obsolete. We believe that the career development of the Bureau of Indian Affairs employees are sadly neglected. There are no requirements except perhaps for teachers and teacher aides to attend schools and to maintain the high level of proficiency and the current knowledge of the art in which they are engaged. The long time career government employees who have been in the Bureau most of their lives have never experienced private industry, they never experienced the development or the modern application of many theories that have advanced since they began their careers and, consequently, are totally unaware of advanced technology. There seems to be a need felt within the Bureau to teach and educate the Bureau employees so they may in turn provide technical assistance to tribal governments. Technical assistance in this fashion is a waste of money.

The Tribes ought to have the authority to find modern current private companies to provide technical assistance. There are even a number of qualified Indian companies who are capable of providing technical assistance to a greater degree of effectiveness and efficiency than the employees of the Bureau of Indian Affairs. I am familiar with a particular contract out of the Phoenix Area Office to the University of Arizona to provide technical assistance to the Tribes of Arizona. To me, just the fact that this contract exists demonstrates the feeling that the Area Office itself is incapable of providing technical assistance. And, when the Laguna officials were contemplating the system we are now engaged upon installing, considered several private firms with whom to contract for the development of the system. The Bureau of Indian Affairs was not selected to provide the technical assistance and design the central accounting system, or the management information system or the personnel management system, the reason was, of course, they do not have the capability. They only follow the federal rules and regulations as developed by someone else, somewhere else, and they generally perform by vote. A new employee development program for current employees would assure them equal treatment in the modernizing efforts to improve the Bureau. Such development program should be for Indian employees as well as non-Indians, in order to provide equitable treatment.

Mr. BIBA. Thank you, Ray.

Mr. Chairman, it is a pleasure and a privilege to be here with you this morning to make my comments.

I have a prepared statement which I will submit to you. If I may, I would like to just talk about some of the highlights of that statement.

Chairman ABOUREZK. It will be inserted in the record as though you read it in full.

[The prepared statement of James L. Biba follows:]

STATEMENT OF JAMES L. BIBA, FORMER VICE PRESIDENT WARREN KING & ASSOCIATES

Senator James Abourezk, Committee members and guests, it is a pleasure to address you today. Some 20 months ago, the firm I represent, Warren King and Associates of Chicago, was approached by representatives of the American Indian Policy Review Commission for a recommendation on how best to satisfy the required management study which was mandated in the Commission's enabling resolution.

During the past 13 years, Warren King and Associates have refined the techniques of utilizing volunteer task forces of loaned executives (management specialists) to analyze and propose pragmatic solutions to the problems facing governments at state and local levels, with more than 35 successful projects as examples, a preliminary survey was conducted in the fall of 1975 to design an appropriate plan of action for a Management Study of the BIA. Results of that survey provided the scope, objectives, specific personnel requirements and all other elements of an action plan which was implemented during May and June of 1976. As project manager, and officer-in-charge from Warren King and Associates, I can attest to the care exercised throughout the program to assure professionalism.

The Bureau of Indian Affairs Management Study group, consisting of 10 executives and specialists, represented many different sectors of the nation's business and professional community. Their services, loaned by their employers on a full-time or special assignment basis, provided the manpower for a nonpartisan study of the bureau for the American Indian Policy Review Commission. To assist in the completion of project objectives, eight firms contributed approximately 4,000 man-hours of loaned executive time on an all-expense-paid basis.

Study Chairman A. T. Anderson, an Indian executive on loan from Union Carbide Corporation and special consultant to the commission for one year, was primarily responsible for general supervision of the project and recruitment of loaned executives.

Mr. Ray Goetting, a member of Commission Task Force 3—Federal Administration and Structure of Indian Affairs—was responsible for the administration and project liaison with the commission. Project management for the study was provided by Warren King and Associates, Inc., a Chicago-based management consulting firm.

The management study group was divided into three functional teams, each headed by a member of the project's Executive Committee. Team leaders and their areas of responsibility include:

Budget Process—Dennis L. Rohlfing, Internal Management Consultant, Phillips Petroleum Company. Mr. Rohlfing is an industrial engineer and has served his firm on management improvement projects worldwise.

Personnel Management—Donald W. Reed, Employee Relations Manager, Dow Chemical Company. As a professional in personnel management, he brought unique experience in establishing and evaluating the effectiveness of employee relations activities.

Management Information—Kenneth R. Geiser, Public Affairs-Southwest, Honeywell, Inc. A career professional in data processing, Mr. Geiser served the Manhattan project during World War II and later built and operated General Electric's first computer manufacturing plant.

Other participants in the Bureau of Indian Affairs Management Study and their employers include: Edwin M. Kennedy, Jr., J. C. Penney Co.; Stephen M. MacArthus, Carnation Co.; Lewis R. Newman, Colt Industries; Charles E. Peone, Jr., Commission Staff; J. A. Palmer, Union Carbide Corporation; Dr. Joseph J. Walka, University of Arizona; and H. B. Walker, Union Carbide Corporation.

Regular business responsibilities of the study team members range from middle management to corporate executive levels. Their professional qualifications represent a wide range of business management skills, including civil and industrial engineering, public administration, data systems and procedures, finance and budgeting, personnel, law, plant management, public and corporate relations and other specialties.

Private-sector participation was a critical element to ensure both objectivity and appropriate management expertise. This approach—using volunteer teams of businessmen to improve government operations—is not new. Former President Herbert Hoover headed a blue ribbon commission to review federal government efficiency. More recently, the governors of over 25 states have used this technique successfully to improve the efficiency of state government operations.

After a brief orientation period, team members spent one week in Washington, D.C., interviewing bureau personnel, gathering data and formulating issues to pursue in subsequent field research. Immediately thereafter, volunteers regrouped into two travel teams which included numbers of each functional area. A third group remained in Washington to review over 75 prior management studies of the bureau. During the next three weeks travel teams concentrated study activity on representative Bureau of Indian Affairs field offices and tribal councils. Two area, four agency and seven tribal offices, as well as the Albuquerque Administrative Services Center, were visited by team members. After individual field investigations were completed, members met to exchange information and to ensure consistent findings. During the last five weeks, team members regrouped into functional areas and continued their interviews with bureau personnel in Washington while developing and writing the final report.

Throughout the review period, teams discovered a need to continually evaluate Bureau of Indian Affairs organization structure. Although a comprehensive organizational study was beyond the scope of this project, it became evident that an organizational approach must be developed to reinforce other review proposals. The final week was devoted to this effort, resulting in a fourth major topic area dealing with organization structure.

The last major comprehensive review of Indian affairs before the creation of the American Indian Policy Review Commission was the Meriam Report of 1928, which helped foster widespread reforms during the 1930s. Since then, numerous studies have been initiated by other task force groups, committees, consultants, Indian Organizations, federal agencies and individuals; all have identified problems and made specific recommendations. In establishing objectives for the present study, it was obvious that a comprehensive review of these materials should be made to pinpoint potential problem areas, to establish a basis for comparison with present findings and to ensure coverage of pertinent problem areas.

Over 75 representative reports written during the past 25 years were evaluated. Several comprehensive studies and a large number of topical reviews were presented during the last 5 to 10 years. With occasional exceptions, most studies were initiated by congressional committees or the Executive Branch.

The analysis indicated that prior studies directed more attention to programs, facilities, natural resources, government policies and financing than to management practices or related service functions. However, many managerial problem areas were identified. Of these, management practices, personnel administration and intergovernmental relations received the most attention. The budget process and management information—both extremely important to effective management—received substantially less emphasis. The study group also noted prior evaluations strongly suggested adopting improved management principles regarding planning, organization, leadership and control. Consequently, the following list of key findings from prior reviews is quite similar to those conclusions independently reached by this study.

Recognition that management ability is as essential to program success as capital.

Provision for executive leadership at all organizational levels.

Development of comprehensive, timely information for use by personnel to ensure effective planning and control.

Installation of an improved communications system.

Utilization of long-range planning.

Implementation of recommendations.

While prior assessments identified similar problems and resulted in appropriate recommendations, the study group realized past efforts fell short of their objectives primarily because the apparatus for implementation was not present. As a result, the present study strongly suggested Congress act to develop a positive vehicle to expedite implementation. A Management Improvement Implementation Review Office, endorsed by Congress and organizationally located in the appropriate management division of the Office of Management and Budget, should be established.

The management study group during nine weeks of intensive examination observed several inadequacies in bureau operations. These included a notable absence of managerial and organizational capacity, decisions with little long-range planning and poor communications among organizational levels. Also noted was a critical absence of information essential for efficient administration. Furthermore, poor employee attitudes and low morale were aggravated by uncertainty over the effects of Indian self-determination, poor personnel practices and inadequate career development.

Full implementation of the reports recommendations could produce annual benefits of approximately $112-million in savings, $10-million in cost avoidance and a one-time saving of $20-million. Annual costs associated with the proposed changes would amount to $272,000, while one-time costs would be $830,000. In addition, benefits of many proposals were associated with improved bureau effectiveness rather than dollar savings.

The comprehensive proposals presented in this report are meant to serve as the basis for specific improvements in the most critical areas of bureau management policy. These areas include the budget process, personnel administration, management information and organizational structure.

In the budget process, the businessmen observed that long-range planning capabilities are nonexistent, while the organization of the budget and the planning function is fragmented and ineffective. To increase the effectiveness of the budget cycle, they recommended that a formal planning system be created as part of the budget process. This must include comprehensive tribal needs analyses and long-range plans so that the system can act as the vehicle to guide allocation of capital and human resources into strategic areas.

In addition, the study group proposed that the functions of budgeting, planning and intergovernmental relations should be consolidated. This new organization would report directly to the Commissioner of Indian Affairs and have functional responsibility for similar operations at lower organizational levels. Also stressed was increased visibility for Indian needs and plans and greater Indian participation in the development of budget and materials.

According to the review team, almost every aspect of Bureau of Indian Affairs personnel management is inadequate. The present interpretation of the Indian preference policy in employment adversely affects all personnel actions. They recommended that Indian preference should be modified to ensure effective operation without impeding progress toward the fullest employment of Indians. A comprehensive manpower planning system should be developed utilizing industrial engineering techniques to determine proper staffing levels and position requirements. Anticipated savings of $75-million in administrative costs here alone could be redirected to program areas. Also, aggressive recruiting and training programs should be improved and upgraded at all levels.

While a modernization study is currently underway to update the data processing function, the businessmen stated that the implementation schedule should be moved ahead 50%, while equipment revision should include multi-processing and communication abilities. The potential financial benefits from centralized automated inventory systems would be substantial. They also indicated that the bureau's Management of Objectives program must be revised to set goals flowing upward from lower operating levels while guidelines flow downward from upper management. In addition, it was recommended that the program be integrated into the budget and employee performance evaluation processes.

The report suggested that present Bureau of Indian Affairs structure is better suited to serve a single, common-need client base; whereas Indian people have differing needs requiring a variety of services. Furthermore, the current organization is characterized by a lack of communication, excessive spans of control and ineffective leadership. In addition, there was little evidence of preparation for the future impact of Indian self-determination, minimal Indian input or proximity to decisions and excessive bureau response time.

To remedy these problems, the study group developed a new organization concept to move decision-making closer to the tribal level and make dramatic leadership possible. The recommended approach is based upon separation of functional and administrative responsibilities. This concept will permit the elimination of 12 area offices and provide for the creation of six "regional service centers." This includes a major change in the responsibilities assigned to the new regional service center managers. Agency offices would have more responsibilities and become "local service centers."

Two new consolidated functions—Human Resources and Natural Resources—would be reorganized in Washington. They also recommended that the reporting relationship between school superintendents and the bureau's Central Office should be simplified. Further, a mechanism for Indian participation in educational decisions is discussed. The bureau should have its own legal staff to provide more timely attention to Indian needs and assist in overcoming existing conflict-of-interest problems in the Department of the Interior.

Because implementation of recommendations is a major concern, the study group proposed an approach to spearhead implementation efforts. Congress should act quickly to develop a positive vehicle, a Management Improvement Implementation Review Office, organizationally located in the appropriate management division of the Office of Management and Budget, to expedite the implementation process. Quarterly reports and interim assessments should be issued to the Commissioner of Indian Affairs, The Secretary of the Interior, appropriate congressional committees and the Executive Office. In addition, the commissioner and the Secretary of the Interior should be required to highlight essential features of these reports in annual budget presentations to Congress.

Mr. BIBA. Some 20 months ago, the firm I represent, Warren King & Associates of Chicago, was approached by representatives of the American Indian Policy Review Commission for our recommendation on the most expeditious, economical, and credible approach to satisfy the required management study of the BIA as mandated by the enabling resolution.

Warren King & Associates over the past 13 years has refined the technique of utilizing volunteer task forces of private sector management specialists of loaned executives to analyze and propose pragmatic solutions to the problems facing governments at State and local levels.

With over 35 successful projects as examples, a preliminary survey was conducted in the fall of 1975. Results of that survey shaped the requirements for the subsequent management study conducted in May and June of 1976.

As project manager, I can attest to the care exercised to assure professionalism throughout the study.

Three study teams were recruited from the private sector, searching for highly qualified specialists in a variety of management disciplines. They provided a cross section of management expertise.

The final team consisted of 10 individuals from various industries, 2 Commission staff members, who provided Indian input, and 2 management consultants.

A complete list of these people, their companies and backgrounds, is included in the prepared statement.

As a result, the management study was conducted with exceptionally skilled individuals from a cross section of our Nation, whose employers contributed approximately 4,000 man-hours of executive time on an all-expense-paid basis.

During the course of work, three teams were organized to examine the budget process, management information systems, and personnel practices.

Field visits were conducted on a stratified sampling basis to provide observations and participative input from BIA employees in the field as well as the central office and from tribal councils.

Conclusions and recommendations were the product of extensive interviews and exchanges with individuals at all levels in the management hierarchy.

While 23 specific recommendations have been set forth by the management specialists, several general observations should be highlighted. Overall, in spite of many dedicated and hard-working individuals, the BIA organization and its inherent management have failed to adequately serve the client population.

The intensive examination concluded that there is a notable absence of managerial and organizational capacity throughout the BIA. Decisions are made on a day-to-day basis without a great deal of regard for long-range planning.

Communication at all levels is poor. Emphasis has been placed on programs, systems, policies, and so forth, while fundamental necessities of good management leadership have been overlooked.

This fact became exceedingly clear as over 75 prior studies of the BIA were analyzed. Many of these prior studies identified the same conditions which still exist, or existed at the time of the management study. But for reasons unexplained, little, if any, implementation had occurred on those recommendations.

It is, therefore, noted that change does not occur easily or quickly within BIA. In fact, in the 12 months since completion of the review, aggressive implementation has not occurred. Although upon debriefing sessions for all key BIA management personnel, members of the Commission, and congressional staff, it was generally agreed the recommendations were sound and action should be exercised.

The loaned executives concluded that some type of forced implementation was necessary to overcome bureaucratic inertia. It was hoped that Congress would adopt a resolution supporting the report findings and charge the BIA with responsibility to implement.

An independent organizational unit was also suggested to provide support and report on implementation progress.

Perhaps the most significant aspect of the management study was the proposed organization structure, which is basic to attaining the full potential of the other recommendations.

The basic organizational concept has been referred to as a matrix by some people, since it tends to permit multiple placement of responsibility and accountability with a greatly simplified chain of command.

Without going into extensive detail, it permits reduction of BIA area offices and increased emphasis on agency-level service delivery. The agency role increases and the area office changes to a source of specialists rather than the seat of all decisions. This new role is called a service center and literally places line authority directly between the local office or agency and the central office.

The result, of course, is less personnel and greater effectiveness.

In conclusion, I wish to emphasize the need for aggressive implementation. Too great a time has already elapsed. Many opportunities have been lost. Opponents of change have had sufficient time to establish defenses.

However, if Congress were to establish an independent implementation unit, as suggested, and endorse in principle the concepts of the report, I believe the intended purposes of the BIA could be significantly improved as they translate to serving Indian people.

Thank you.

Chairman **Abourezk**. Thank you.

May I ask a question, first, of you, Jim?

It would be cumbersome for the Congress to outline a specific reorganization plan for the administration to follow. It could be done, but it would be difficult and cumbersome.

Do you believe that the best course for the Congress to follow is to adopt the principles of the reorganization plan and endorse the principles and mandate the administration to set up a team to accomplish that reorganization? Is that, in your view, the best course to follow?

Mr. **Biba**. Yes, sir, I believe that the approach should be to require the Bureau to come back with exceptional reasons why they cannot implement the proposals as submitted in the management report.

We believe that the latitude permitted in that organizational scope would accomplish the objectives if, in principle, you endorse the concept. They can then provide the needed implementation detail to accomplish that objective.

I think that would be an excellent way to accomplish it.

Chairman **Abourezk**. Are you prepared to go over some of the details of the recommendations of that report—both of you—right now?

Mr. **Goetting**. Yes; we are.

Chairman **Abourezk**. I think the first line of questioning would be to ask you in this manner:

Exactly what do you see as the faults of the existing system of management, and how should they be corrected?

What faults caused the BIA not to provide its responsibility to the Indian people?

Mr. **Goetting**. I think there are several reasons, Mr. Chairman.

The system of operating under the budget plan that now exists does not include Indian participation. Consequently, there are some friction elements and disagreements caused thereby.

There are some difficulties in personnel management that create inequities and disturbances on both Indian and non-Indian employees.

Management information has been outdated and needs to be updated. Programs need to be centralized at the point where decision-making processes should be made.

When these kinds of things are done, then the cooperation in the unification of organization at the level where Indians are supposed to be making their decisions, the Government should participate with it.

I think that these are primarily processes in qualifications of people and experience, and an organizational approach that might be acceptable to both the Federal and the non-Federal, and the tribal governments.

Recognition and respect of tribal government responsibilities, and assuming that the tribal councils actually have credibility and that they are dependable and reasonable in conducting business in a proper business management manner, is necessary.

At the moment, I happen to be a consultant to the Pueblo of Laguna which wants to institute a new management accounting/reporting/personnel/records control system that would put them in a position of exercising any activity under Public Law 93-638 that they might choose to select.

So we are attempting to do the same thing at the tribal level so that they, themselves, will be in a position to work with, work for, and work regarding private activities, so that the competitiveness to make a viable community at the community level is on a prior competitive understanding.

These are the kinds of things that I believe are causing the problems and ought to be resolved. It takes work on both sides.

To me, the low morale in terms of Indian preference has been a great concern over a number of years, and certain law cases have been used to resolve the problem. But we believe there is a way to establish it, and we do have a slight short presentation of the budget, personnel management, and management information if you would care to do that now or go into questions—whichever you would like.

Mr. BIBA. I just want to respond very briefly to your question also.

At the risk of oversimplification, I think there is a great underlying problem that exists, and I think we have addressed it in many different ways and tried to focus on it, but perhaps it is not clear.

Regardless of all the things we talk about which are techniques of management, and various approaches for improving the management system, there is an underlying shortage of trained management people.

I don't mean to discredit the existing Bureau personnel. I think they are doing the best they can without having had formal management backgrounds.

The need for leadership and management skills to implement the concepts and ideas we have talked about are perhaps the most critical ingredient to the whole process.

The things Ray talks about cannot be accomplished unless the people in the responsible positions first have the understanding of what we are trying to accomplish and the knowledge and ability and experience of how to get them installed.

I think perhaps now it would be appropriate if we turn to our presentation.

Chairman ABOUREZK. If you will go through your slide presentation, then we can go on with the questioning after that.

[Slide presentation of American Indian Policy Review Commission, Bureau of Indian Affairs Management Study.]

Mr. GOETTING. Mr. Chairman, I would like to start specifically on the budget system.

The process now being used by the Bureau of Indian Affairs is referred to as the band analysis. In short, this system was designed for the purpose of allowing tribal input into the budget process.

Chairman ABOUREZK. What specifically does band analysis mean?

Mr. GOETTING. It gives three columns on any subject listed on the band. It shows the relationship as to whether they get a target figure and what money they may expect to receive; whether they get 5 or 10 percent less than the target figure or 5 or 10 percent more than the target figure. Then there is a column that is referred to as the total need. So the tribal representation could modify in any of these areas their expression of priorities and the amounts of money they would need.

Chairman ABOUREZK. How much of the total money allocated to tribes is put on the band analysis?

Mr. GOETTING. Our study indicated there was probably slightly less than half of the appropriations actually listed on the budget.

The difference between banded and unbanded items in the present process is the fact that the ongoing recurring items are the only ones that the tribes were allowed to participate in, in regard to the adjustments. This means if they didn't get enough money for all of it, it went into the existing operations on a continuing basis. Tribal objections were very plentiful.

The unbanded items actually are the needs on the basis of capital improvements, construction, setting the stage for funding those items that are not normally being conducted at the moment, and additional needs as the tribe may deem them.

The tribes object to not having the opportunity to participate in the development of the amount of money necessary to conduct those activities. So they have objected to the division between banded and unbanded items for their participation.

They would prefer a zero-base budget.

There is an exhibit attached to my presentation which shows a two-phase budget presentation, stemming from the reservation and tribal level as well as the agency level of the BIA.

There are examples of the Laguna Pueblo request: how they participated in the present process; and what they think of it. They have a position paper and an objection. They have submitted their own budget banded and unbanded items as they see their needs.

So the example is in the material that we have presented to the committee.

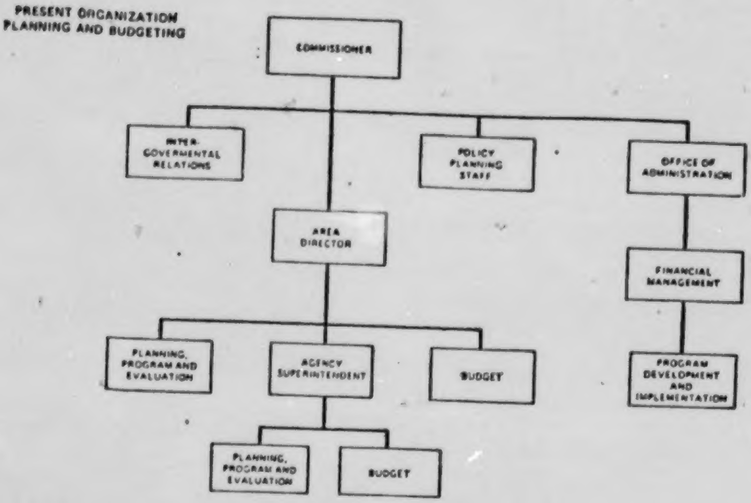
These are not peculiar to one tribe. They are almost unanimous in their decision that the present budget system doesn't permit participation to the degree desired.

The reorganization of the budget activities would encourage participation and find the needs.

At Laguna, they presented their own budget operation, and it reflects a very cautious and very responsible approach to the declaration of their needs. While it is slightly greater than the BIA amount, the point is that they dispel the attitude that if you give a zero-base budget opportunity to the tribes, they will ask for the moon.

That is just not true. They have been studied to death, as well as the Bureau. They have long-range planning capabilities, because they go to every governmental office. They have the capacity and capability of designing their long-range requirements. They have those documented very well.

Some of the smaller tribes or agencies may not be quite as well off and need help from the Bureau, but they then can adjust their annual requirements to at least keep on the track and have some confidence that they are approaching the goals they set when they determined their own needs.



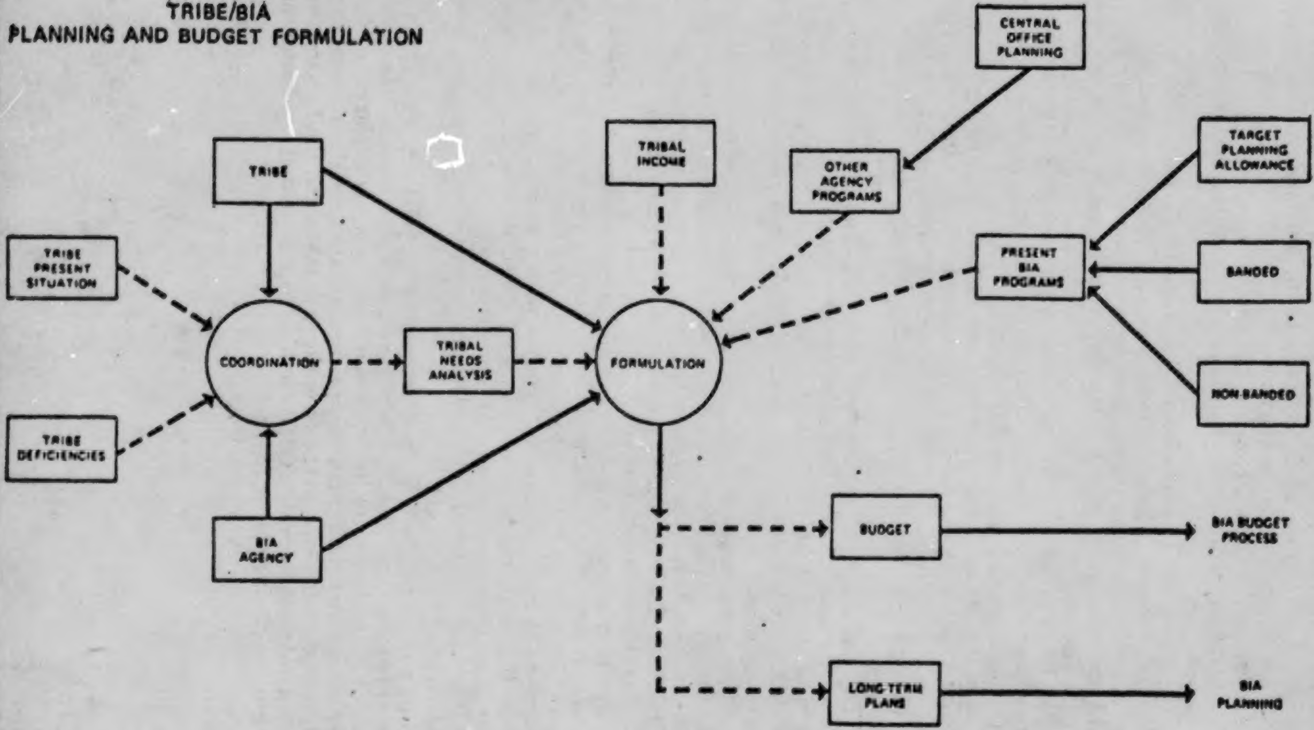
PRESENT ORGANIZATION
PLANNING AND BUDGETING

COMMISSIONER
INTER-GOVERMENTAL RELATIONS
POLICY PLANNING STAFF
OFFICE OF ADMINISTRATION
AREA DIRECTOR
FINANCIAL MANAGEMENT
PLANNING, PROGRAM AND EVALUATION
AGENCY SUPERINTENDENT
BUDGET
PROGRAM DEVELOPMENT AND IMPLEMENTATION
PLANNING, PROGRAM AND EVALUATION
BUDGET

This portion of the planning process and this portion of the budget process is not coordinated and is one of the highlights of the recommendations. It should be integrated into a new budget planning development program for the Bureau and the tribal community.

On this slide we have a process which shows how the flow of documentation would be. They are summaries.

TRIBE/BIA
PLANNING AND BUDGET FORMULATION


TRIBE
TRIBE PRESENT SITUATION
TRIBE DEFICIENCIES
COORDINATION
BIA AGENCY
TRIBAL NEEDS ANALYSIS
TRIBAL INCOME
FORMULATION
CENTRAL OFFICE PLANNING
OTHER AGENCY PROGRAMS
TARGET PLANNING ALLOWANCE
PRESENT BIA PROGRAMS
BANDED
NON-BANDED
BUDGET
BIA BUDGET PROCESS
LONG-TERM PLANS
BIA PLANNING

We feel that the tribal requests and the Bureau requests should be separated so that we would actually know how much administrative costs are being expended by the Bureau.

Chairman ABOUREZK. That is not happening now.

Mr. GOETTING. We do not know that. In the study, we could not find that out.

The manner of presentation of line items in the budget doesn't distinguish between administration overhead, indirect expense, direct costs, and the progress reports measuring performance and production and accomplishment of any particular objective set by the tribe or even by the Bureau.

We believe that these are necessary in the accounting system. There is a standard sample form, the one that the Pueblo Laguna has adopted, in order to get at that very information.

It is ironic that the Bureau requires, in their contracting processes under Public Law 93-638, that the tribes have such indirect expense ratios developed in order to determine how much they might have to have for administration and how much is actually chargeable to direct expense.

There is a specific requirement under the contracting process that imposes a detail similar to that we are recommending.

It is ironic that the Bureau doesn't follow its own instructions within itself to provide that information. We were unable to find that in our studies.

Chairman ABOUREZK. With respect to that particular requirement, it seems to me that that would be possible to mandate by legislation. We may not be able to do the entire reorganization by legislation, but I think we can take specific portions of it and mandate it.

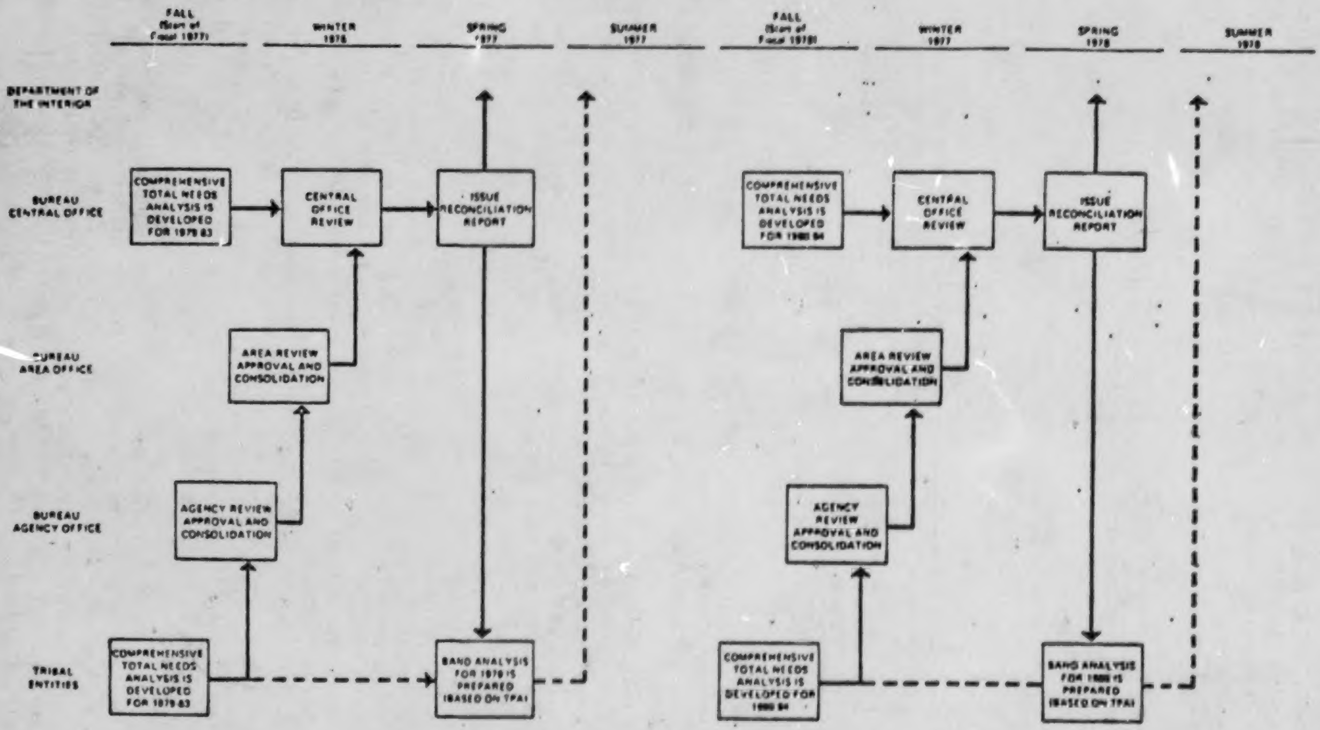
Do you concur with that?

Mr. GOETTING. In the 1934 Indian Reorganization Act, the intent was that there was a separation between what the tribes thought they ought to have and what the Bureau or the Secretary thought they ought to have, so it came to Congress with a requirement in the law actually asking the Secretary to notify the tribes what the request was for each program affecting that reservation.

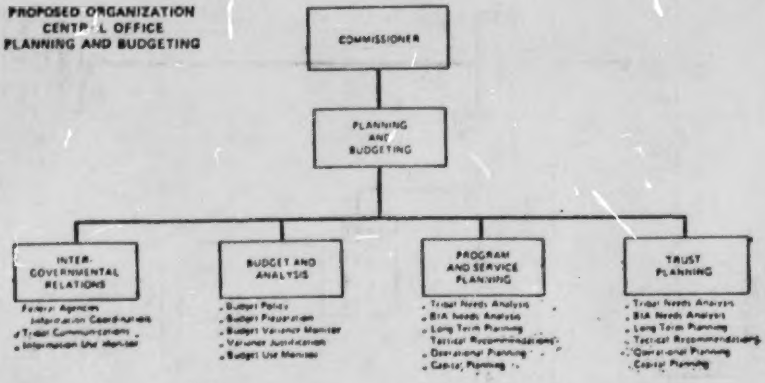
The law was never followed to the degree it was intended in the hearings of the 1934 act.

As a matter of fact, in the discussions with OMB, in one circular of instructions they had the Secretary could not release information about the budget prior to the announcement and the declaration of the President. But the Indian Reorganization Act actually required them to do that in advance, so the exception was taken and the Indian tribes were excepted from that OMB circular requirement. They found they were in violation of that 1934 act.

PROPOSED LONG-RANGE PLANNING PROCESS


FALL (Start of Fiscal 1977)
WINTER 1976
SPRING 1977
SUMMER 1977
FALL (Start of Fiscal 1978)
WINTER 1977
SPRING 1978
SUMMER 1978
DEPARTMENT OF THE INTERIOR
BUREAU CENTRAL OFFICE
BUREAU AREA OFFICE
BUREAU AGENCY OFFICE
TRIBAL ENTITIES
COMPREHENSIVE TOTAL NEEDS ANALYSIS IS DEVELOPED FOR 1979-83
CENTRAL OFFICE REVIEW
ISSUE RECONCILIATION REPORT
AREA REVIEW APPROVAL AND CONSOLIDATION
AGENCY REVIEW APPROVAL AND CONSOLIDATION
COMPREHENSIVE TOTAL NEEDS ANALYSIS IS DEVELOPED FOR 1979-83
BAND ANALYSIS FOR 1979 IS PREPARED (BASED ON TPA)
COMPREHENSIVE TOTAL NEEDS ANALYSIS IS DEVELOPED FOR 1980-84
CENTRAL OFFICE REVIEW
ISSUE RECONCILIATION REPORT
AREA REVIEW APPROVAL AND CONSOLIDATION
AGENCY REVIEW APPROVAL AND CONSOLIDATION
COMPREHENSIVE TOTAL NEEDS ANALYSIS IS DEVELOPED FOR 1980-84
BAND ANALYSIS FOR 1980 IS PREPARED (BASED ON TPA)

This slide demonstrates the sources of information which go to make up the compilation of the budget and who must participate in the development of it. It is so multiple in its scope that it can hardly be done other than at the local level where the Indian input is actually effective.


PROPOSED ORGANIZATION
CENTRAL OFFICE
PLANNING AND BUDGETING
COMMISSIONER
PLANNING AND BUDGETING
INTER-GOVERNMENTAL RELATIONS
Federal Agencies Information Coordination
Tribal Communications
Information Use Monitor
BUDGET AND ANALYSIS
Budget Policy
Budget Preparation
Budget Variance Monitor
Variance Justification
Budget Use Monitor
PROGRAM AND SERVICE PLANNING
Tribal Needs Analysis
BIA Needs Analysis
Long Term Planning
Tactical Recommendations
Operational Planning
Capital Planning
TRUST PLANNING
Tribal Needs Analysis
BIA Needs Analysis
Long Term Planning
Tactical Recommendations
Operational Planning
Capital Planning

This slide shows the kind of coordinated organization we would recommend in the BIA's central office.

Chairman **Abourezk**. We can't read the print on that slide from here.

Mr. **Goetting**. In the planning and budgeting process, we believe that several of the divisions of the BIA that now exist ought to be coordinated a little closer.

For instance, on the left, we have intergovernmental relations. There is a function of that going on. But how HUD, for instance, and how housing activities in the Bureau actually get together in a governmental agency ought to be considered and related more directly in the preparation and operation of the budget.

The second one is budget and analysis. The historical records which accounting reports should have, should give some historical progress being made to long-range goals so that project-by-project completion ratio analysis of performance and accomplishment ought to be evaluated and used from the experience in the basis of the preparation of the next budget.

Mr. **Funke**. Is this diagram in the management study book?

Mr. **Goetting**. It is on page 24 of the management study book.

The third item from the left is program and service planning. These are the considerations of the long-range plans of tribal operations.

There is one thing about the BIA definition of the goal or purposes of BIA.

In one of the areas, you will find a recommendation that specific statements be prepared and developed for the knowledge of all of the BIA employees, as well as all tribes and congressional committees involved, on specific issues facing the Bureau, so that there is some consistency in interpretations as to where the objectives are actually going to lead.

These are not clear, so we felt that in the program and service planning, the purposes and objectives of the Bureau and the tribes ought to be coordinated and a statement prepared with that understanding.

In the last item, the trust planning, establishment of the trust responsibility is one thing that the tribes have emphasized—the need to protect and the guidance in governing that they want to retain, and the protective services that are necessary until they decide they are capable of handling their own assets.

But the production and the trusteeship should influence the proposals of budgetary requirements because of the objectives set. If all of the objectives and goals were set on a long-range basis so that the trust participation and protection could be analyzed and inserted to the comfort of the Indian tribes who feel that they need it and want it, it would be a real item in the budget process in the money and the responsibility.

So far as the recommendations were concerned, this represents the zero base budget and the participation and the support of Indian activities on the budget materials. We believe that the management information collection system should be available.

We get to the management information collection data and processing in the management information section.

The next slide is the personnel management operation.

The recommendation is that we strengthen Indian preference. Actually, we believe that the Indian Preference Act of the 1934 Indian Reorganization Act and some of the cases and decisions handed down by the Supreme Court are all in the spirit of the intent of Congress. The BIA should eventually be staffed by qualified Indians.

We believe that there is some abuse of the operations as now performed. Rather than strengthening, providing of better qualifications and position descriptions should be accomplished.

The processes themselves need to be changed and modified in order to exercise that requirement which would give Indian preference to those qualified people.

The 1934 Indian Reorganization Act required by law that Indian employment should be made without regard to Civil Service Commission rules and regulations.

In our consideration, we have considered a new Indian career service.

Some resistance has been voiced with regard to this, because it implied that there would be no regulation. We believe that the type of Civil Service Commission regulation should be retained, except it should be balanced with tribal employment and wage rates, tribal leave and retirement, tribal benefits and annuities similar to that now in the Civil Service Commission. But the qualification standards should recognize particulars and the elements concerning Indian activities, reservation experience, language, or a number of other things peculiar to the Indian community that are not now in standard qualifications as published by the Civil Service Commission.

We believe that the recruitment program should be improved, specifically for attracting qualified Indians.

There is some belief and some implication that there are no qualified Indians, and that Indians always have to be trained and educated in order to take over and that this is a process yet to be completed.

We believe that a lot of qualified Indians do exist, but resist employment and application to the Bureau because of some of the bureaucratic processes that they are disturbed about.

Chairman Abourezk. May I just interrupt you, Ray, for a minute? I want to introduce some guests we have up here. These are the Girls' Nation representatives from South Dakota and Montana.

I will introduce the ones from South Dakota: Bridget Corrigan from Yankton and Tami Stradinger from Spearfish.

John Melcher will introduce the two from Montana.

Senator Melcher. Gwenn Smith from Missoula and Monica Cadillac from Butte.

Chairman Abourezk. They are ex officio members of the committee today. [Laughter.] Sorry to have to interrupt.

Mr. Goetting. It is a pleasure, Senator.

When we walked in and saw who was sitting up there, we were not exactly disturbed, but I think the situation has been greatly improved. [Laughter.]

Now, if the influence of the pro tem additions to the committee is influential, we will have accomplished a great deal.

Chairman Abourezk. You are anticipating no tough questions from them. [Laughter.]

Mr. Goetting. Incidentally, I presented a preview of the final report of the Commission to the Laguna Council on the very day that they were having Youth Day. The high school had just elected the entire staff of the Laguna Tribal Council and its officers, so they were attending the Council meeting. The acting governor of the youth, sat by the Governor—and so on down the line.

When I was through, I had more questions from the Youth Day officers than I got from the council. So I think youth today is really interested in contributing a great deal, and we hope that they observe and pay attention to the problems that they will face when they become operations of the Government or the municipalities in which they live.

I think I was talking about recruitment, and I mentioned the fact that the Indian community has a great number of qualified people—attorneys, particularly, and educators, specifically.

We feel that the concept that Indians still have to be trained to hold positions in the Bureau is not as serious a necessity as one might think.

We believe they do not apply to the Bureau because of certain bureaucratic loginess and certain aspirations they have to serve their own people. They feel there is a restriction, so application from the general Indian qualified community is not as plentiful as we would like to see it.

The recruitment from the Indian community, we believe, ought to be emphasized. Certainly we are not objecting to the inservice promotion privileges, but sometimes we feel that a person who spends all of his life in the Federal service working his way up from a low grade to the top grades in the Bureau—well, the reservation experience, the cultural experience, and the community operation and competitive activity has not really been experienced by them. A training program for their understanding of that activity should be instituted. We did not find a viable training program available to the employees of the

Bureau. There have been several attempts made at it, and the Department has some executive training programs.

But what we really believe is necessary is that the experience of the competitiveness that is going to be required to establish a self-sufficient community at the reservation or tribal level is necessary in order for them to administer and provide technical assistance.

In Public Law 93-638 there is a provision whereby training of BIA employees could be made in order to provide technical assistance to the tribal people.

That seems like a waste of money, because in the outside world there are technical assistance organizations, even Indian organizations, who have technical assistance capabilities to provide to tribal people and who have been in the competitive service and organized themselves in the communities in which they exist, to compete with management consulting firms and educational activities, and so on.

So the resources that should be available to the tribes should and could come from there, as well as from the Bureau.

There are techniques developed by industry to determine manpower requirements—the need for certain disciplines and the development of qualifications and training and experience necessary to perform specific jobs.

We believe an approach of this nature is absolutely essential in the BIA personnel management system.

We believe when this equitableness of operational procedures is in effect, it will encourage Indian participation.

I would like to point out here that this is not to be considered that the non-Indian employees of the Bureau are not worthwhile and not performing. There are some highly dedicated and motivated employees in the Bureau, and we appreciate their operation. The Indians do not object to having them.

What we do object to is that when there is a preference requirement that the position be filled with an Indian and this sometimes results in a reduction of grade and the quality of performance in the position. This is an unjust requirement, not only to the person who occupies that position, but if they lower the grade they don't provide the service that the original grade level should have required. So they not only deprive the Indian community of that service, but they expect high-level performance from someone whose qualifications are lower than required.

We did have an example in the field where a grade 11 was lowered to a grade 9 position. Neither of those position announcements attracted any Indian applicants, so they lowered it to grade 7. An Indian applicant appeared, and they employed the Indian.

But if he was only qualified for a 7, when the job really should have been an 11, then both the Indian occupant of that position and the Indian community were deprived of the qualifications for the position that was necessary in the first place.

We feel that should be adjusted.

The next one is management information.

We don't have slides identifying the personnel management and the management information recommendations, but we will show you the result of those on an organization chart shortly.

In the management information section, we have comments about performance ratings, primarily so that management can determine the type of staff, the effectiveness of that staff, the performance, and the personnel procedures requiring performance rating. We do not believe that is an effective process at the time. Those requirements are not carried out specifically. Supervisory action is not specifically required. The people who make the performance ratings are supposed to talk to the employees. Generally that may occur, but not significantly in terms of establishing low-level grades and ratings as to what should be done. A viable process of clarifying and improving that employee, because of low ratings, is not designed and is not effective.

When that is not done, the supervisor who grades that employee, his supervisor does not grade that supervisor to determine whether supervision of employment is actually effective and what is done about the inadequancies of that supervisor to carry out training and correction of weaknesses in grading.

So the supervisory responsibility needs to be exercised and needs to be recorded. A process needs to be implemented to require it so that action can be taken. It should be coordinated with the training program and the internal operation of development on a career basis.

In management information, communication between the organizational levels right now is very poor. The line and staff functions require too many hands to resolve the problems that come up the ladder.

If the delegation of authority and the rearrangement of the organization were actually implemented, much of the solution and the development of the elements that require consideration in providing a logical solution to any problem may provide the answer at the lowest level.

In the absence of that, for counsel and advice, time-consuming relationships with an area office at the present time is a slowing process—a bottleneck—before the decision is actually required of the central office. We believe that that could be shortcutted and improved.

Distribution of qualified people to the agency level would provide a similar capability at the agency level. So if the agency staff were upgraded and qualified to the same level, we believe that the decision process, then, would be applicable.

One of the procedures by which management information is collected is the automatic data processing activity. It is located, for the Bureau, in Albuquerque, N. Mex.

We had with us an individual who was not only an inventor of sorts but was a professional developer of data processing equipment for Honeywell.

Chairman ABOUREZK. With regard to data processing, what kind of information is on that Albuquerque computer setup?

Mr. GOETTING. Right now, they are using it for accounting and personnel activities and payrolling—a number of other things.

Chairman ABOUREZK. Is it working fairly well for that purpose?

Mr. GOETTING. As far as I know, the processing of payroll and checks and distribution and that sort of thing is timely.

I find that the agencies have to maintain their own accounting records on a cuff basis, because of the slowness of processing of the information into the data processing.

The organization in Albuquerque actually says they put out their reports on a timely basis. But it requires so much reconcilement between what has actually been done at the agency level and what actually got into the records so far as the processing was concerned in Albuquerque that a great deal of reconcilement between the two is necessary for them to find out where they stand.

Chairman ABOUREZK. Do they have other information on that computer setup or on any computer setup, such as land inventories and leasing information and things of that nature? Is that on any computer setup?

Mr. GOETTING. It was started, but I don't think it has been completed.

Chairman ABOUREZK. Do they intend to put that on in final form?

Mr. GOETTING. Yes.

Chairman ABOUREZK. What other information should be on the computer that is not to facilitate management in the BIA?

Mr. BIBA. As a matter of fact, at the time of our study they had an excellent plan with the one exception that the time frame was so long that the benefits wouldn't be realized for years.

It was the recommendation of the study that that should be implemented much faster. In the opinion of our experts, it could have been implemented much faster.

That goes back to a point I made earlier that a great deal of time has already been lost and opportunities have been missed to utilize the capability that is there.

Chairman ABOUREZK. There are some findings that the BIA computers are extremely outdated.

Mr. BIBA. That was correct at the time of the study. I have no knowledge of what it is today.

Chairman ABOUREZK. They don't contain resource information. What critical program information do you need?

Mr. BIBA. As I understood, that was the documentation of how the program itself was written, so that some other technician could come in and analyze what the hardware was doing.

In other words, the software did not have complete documentation.

Chairman ABOUREZK. I think you say there is no interactive computer system. The various agencies and tribes have no terminals which contain information from a central computer.

Mr. BIBA. Exactly.

Chairman ABOUREZK. It would seem to me to be an extremely important function. If the tribe, for example, wanted to find out information on land lease—what is available and so on—that they have these portable computer terminals.

They are very easy and very cheap to install. They can go into a central system to find out that information.

Mr. BIBA. It is called real time data processing; however, it requires a more sophisticated base unit. The present hardware, or the hardware at the time of the study, was not compatible with that kind of an operation, which as you point out is an ideal thing to have.

Chairman ABOUREZK. It would require an overall computer plan to put this in effect.

Mr. **Biba**. Exactly.

They did have the plan, but it was not a plan for implementation.

Chairman **Abourezk**. It was just a plan.

Mr. **Biba**. That is right.

Chairman **Abourezk**. Another statement you make is that program information passes from the central office to the area offices and frequently gets bottlenecked at various points along the way, causing delays and inefficiency. Do you want to comment on that?

Mr. **Biba**. I think it is self-explanatory.

Mr. **Goetting**. It causes the reconcilement I was referring to in regard to the current information for management use at agency and tribal level.

Chairman **Abourezk**. Let me go back to the budget planning. This is more for Senator Melcher's information, because you have already testified to that.

But as I understood you to say, the overall management system contains no overall plan for tribal use or the benefit of the Indian tribes for the future. That mangement decisions are made on a day-to-day basis, catch-as-catch-can. Is that correct?

Mr. **Biba**. Yes, sir.

Mr. **Goetting**. Yes, sir.

Chairman **Abourezk**. That particular thing should be with the use of modern computer techniques and so on. With modern management techniques it could be overcome.

Mr. **Biba**. It is a philosophical thing as well.

The present outlook is in terms of a budget period, and that budget period happens to be a year. Sure we are planning ahead for the following year and so forth, but everything is locked into that kind of a cycle rather than having the ability to look forward to 4 years or 6 years past a budget period, and that is the missing link.

Chairman **Abourezk**. If the agency itself does not look forward, it is extremely difficult for the tribes to attempt to look forward; is that correct?

Mr. **Biba**. Exactly.

Chairman **Abourezk**. Therefore, they are caught in this "Catch-22" cycle where they could be the beneficiaries of good, efficient management and planning and they become the victims of it. In a large sense, they get blamed for being inefficient themselves. Is that correct?

Mr. **Biba**. Correct.

Mr. **Goetting**. There are a number of tribes who have an extensive, sophisticated, long-range planning capability, and they do have it. But there is no way to insert that into the budget system of the Bureau because it doesn't provide any further than the budget year available. So it just doesn't tie together yet.

Chairman **Abourezk**. In your next area are you going to cover the reorganization of the area offices and the installation of service centers?

Mr. **Goetting**. Yes.

There is one thing I would like to say about data processing before we leave management information.

In my more recent experience of trying to put in a system at the pueblo of Laguna, we are securing time on data processing operations from a company whose sole business is to operate and utilize the latest equipment available.

The state of the art of the hardware in computer businesses is so fast moving that it appears to me personally, since the management study, that the BIA may be better off to lease space and time on a centralized operation like San Francisco, Denver, Chicago, Washington, or New York with terminals in the various offices. The flow back and forth of that would be current and usable and available on the most modern equipment.

Any software package would be immediately adaptable to the state of the art then.

If the Bureau puts in its own system, it begins to be obsolete with the very next invention that comes along. The reason it is slow being put in is because of the availability of money. They are expensive.

So when the availability of money not to put in the hardware in a year when they don't get quite so much money for equipment—

Incidentally, we couldn't find in the budget where that equipment was proposed to be purchased. I don't know how they arrived at the money and when they did—or if they have.

But the point I am making is that the Bureau may not necessarily acquire hardware to get into the business of providing management information through the data processing operation.

There are a lot of people in the business: Honeywell, GE, Westinghouse, and so on.

Chairman Abourezk. Leasing a central terminal somewhere—let me see if I have this right.

What you are saying is that BIA could buy and then plug in at each agency level.

Mr. Goetting. Right.

Chairman Abourezk. Would that be a fairly decent cost?

Mr. Goetting. I think it would be a very decent cost. It would be very reasonable. I believe it would be scattered over a period of time. It would prove just as successful, if not more so.

I believe the administrative overhead and expense that now exists in the operation and maintenance of the equipment itself would not be necessary. I really believe that it would be cheaper, and it would be more current. Ten years from now we would have the current, instead of another outmoded, obsolete set of equipment.

Chairman Abourezk. If there were, for example, a new invention that came along that the agency thought would be a lot better, they could transfer that to a different central computer at minimum cost.

Mr. Goetting. Right.

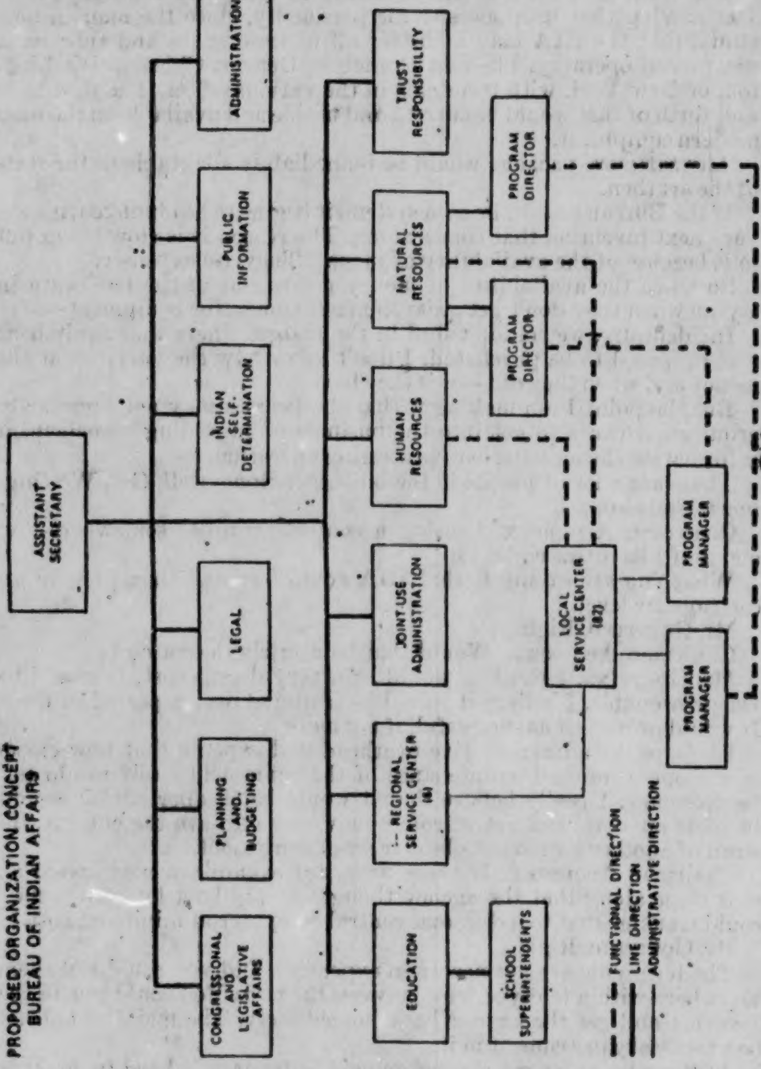
The terminals are not nearly so expensive, and you could put them anywhere with a teletype wire between the two: You could put in the question and get the answer back immediately. The mails would not be a necessary instrument in it.

At the present, to get a voucher paid in 90 days is hard to do. It is vouchered at the agency level, sent to the area for review and audit, and then to the central office before it ever gets paid. Then it is mailed to Denver to the Treasury Department for issuance of a check.

The mail processing is still a significant part of the operation, but terminals would eliminate that if the delegation of responsibility and the certifying officer's activities were at the proper agency level.

Chairman Abourezk. Would you like to proceed with your slides?

PROPOSED ORGANIZATION CONCEPT
BUREAU OF INDIAN AFFAIRS


ASSISTANT SECRETARY
CONGRESSIONAL AND LEGISLATIVE AFFAIRS
PLANNING AND BUDGETING
LEGAL
INDIAN SELF-DETERMINATION
PUBLIC INFORMATION
ADMINISTRATION
EDUCATION
REGIONAL SERVICE CENTER (6)
JOINT USE ADMINISTRATION
HUMAN RESOURCES
NATURAL RESOURCES
TRUST RESPONSIBILITY
SCHOOL SUPERINTENDENTS
PROGRAM DIRECTOR
PROGRAM DIRECTOR
LOCAL SERVICE CENTER (82)
PROGRAM MANAGER
PROGRAM MANAGER
FUNCTIONAL DIRECTION
LINE DIRECTION
ADMINISTRATIVE DIRECTION

Mr. GOETTING. The heavy white lines on this chart indicate the direct supervision of the commissioner. The titles of the division that we would recommend being established I am sure you can see.

It is on page 51 of the management study report.

You will notice there is no line that goes from the commissioner to the local service center. That service center is the agency as we now know it. The regional service center is an arm of the commissioner, regardless of where it may be located, to provide what we are recommending as administrative services. So if we had the administrative services with terminals in various locations closer to the agency, without having to go through three steps, it now would only go to one.

Chairman ABOUREZK. I want to ask some specific questions on this.

Directly below the Assistant Secretary, you have in Washington in the central office legislative affairs, planning and budgeting, and a legal office. Would that mean the solicitor in the Interior Department would be moved over and under the Assistant Secretary?

Mr. GOETTING. Yes. We find that now the BIA is without counsel who spends his entire time with that client.

Chairman ABOUREZK. And this would have an eye toward separating the Bureau out of the Interior Department in the first place.

Mr. GOETTING. That wasn't one of the management study concepts. They did not comment on that in the management study.

However, the elements that make a good organization to be self-contained are there, and it would operate whether or not it was in the Interior.

Chairman ABOUREZK. What would the Indian Self-Determination Office be for? What would be their specific duties?

Mr. GOETTING. Primarily to administer the contracts or the grants.

Chairman ABOUREZK. Under Public Law 93-638.

Mr. GOETTING. Yes.

Chairman ABOUREZK. How about the Office of Administration? Would this be the overall personnel?

Mr. GOETTING. Personnel, management information, accounting, and reporting.

Chairman ABOUREZK. The heavy black line going down to the second layer, would that series of offices also be in Washington, or would they be somewhere else?

For example, education. Would that be centralized here?

Mr. GOETTING. Yes; it would be in Washington.

Chairman ABOUREZK. You have six regional service centers. They would replace area offices.

Mr. GOETTING. Yes.

Chairman ABOUREZK. What would their purpose be?

Mr. GOETTING. To do the administrative work that we now find in the central office operation in Albuquerque on the data processing activity.

We believe that if you eliminate the Albuquerque data processing as such and extend the terminals to the service centers, the payment of vouchers, processing of payrolls, and that sort of thing would be subdivided into six—or whatever the necessary number might turn out to be.

So the responsiveness and the layering of processing of documentation for management information would be more prompt. It would be by wire, and it would be close. It would be available as, if, and when it was needed.

Chairman ABOUREZK. Would there be any other purpose for the regional service center? Would they be there for other technical assistance, such as engineering?

Mr. GOETTING. Yes. We believe that management consulting and technical assistance in special fields that exist in regard to the Bureau's trust responsibilities should be there where justification for full-time employment might not exist at an agency level.

Mr. BIBA. Simply stated, it is economic deployment of personnel. Rather than having specialists at each local service center, they could be housed or quartered in a regional headquarters and made available as required to the local service center.

Chairman ABOUREZK. Joint Use Administration—what is that particular office?

Mr. GOETTING. That actually is the office that exists at Flagstaff for the controversy between the Hopis and Navajos. There is a joint use area designated there.

Until that problem is resolved, we have that office.

Chairman ABOUREZK. That is the only purpose for that?

Mr. GOETTING. That is the only one.

Chairman ABOUREZK. Human resources—what is the purpose for that?

Mr. GOETTING. That is the development of the human resource education—adult education—the development of people, qualifications, and training. There are a lot of programs through the other governmental agencies that should be coordinated with regard to the programs at the tribal level.

Chairman ABOUREZK. Natural resources—would that contain an inventory of resources of various tribes? What else would it provide?

Mr. GOETTING. It would be the development of the minerals and the assets that belong to the tribe in order to provide a self-sufficient objective for their use.

Chairman ABOUREZK. Would it include geological engineers in that office? It would be similar to the regional service center, except that it would specialize in natural resources?

Mr. GOETTING. Yes. It would be a function that would be the responsibility of the central office. Staffing, of course, would be where the problems are and the situation exists.

Chairman ABOUREZK. Trust responsibility—would that perhaps be the trust council authority?

Mr. GOETTING. As the trust council authority, it is a little bit different with the legal block that we have in the upper line.

The trust responsibilities now, with respect to the protective devices of the assets and the assurance that the operation of those assets of tribal activities are to the benefit of the tribes and not diminished.

It is a protective device. It is a policing device. It is an enforcement device.

They should have access to the legal division that is established for all purposes.

Chairman ABOUREZK. That is in the central office.

Mr. GOETTING. Yet; it is.

Mr. BIBA. Could I go back one moment to the two program areas—the human resources and natural resources?

I want to try to make it clear that those are where the program decisions take place—between that office and the local service center, in a direct line relationship.

The regional service center, then, is not a conduit for program activity. They are merely a source of assistance—technical services and what-have-you.

That is the major change between this organization and the existing organization. Presently, program functions—which we have consolidated into two generic terms called human and natural resources—are now directly handled with the local service center. Hopefully, at some future time, with the tribal council directly—eliminating the local service center. That is a far-off future hope: that the headquarters program decision can be dealt with directly through the recipient.

The interim unit, the regional service center, is merely one of support and assistance and administrative duties.

Chairman **Abourezk**. Is it accurate to say that the power now existing in the area office will be extended into the agency level rather than the central office?

Mr. **Goetting**. Yes.

I might make a comment here with regard to Task Force 3's response to the management study recommendation on that very point.

We extended the line from the Commissioner to the local service center in order to give that superintendent the right and the privilege to go directly to the top, so that the delegation of authority would not necessarily be hampered by any diffusion of responsibility.

If a superintendent disagrees with the Director of the Human Resources Division, there is a way for him to appeal to the Commissioner or the Assistant Secretary for Indian Affairs.

So we gave him a direct line. That is one difference that Task Force 3 added when we wrote our report from the information from the management study.

The next subject we want to present is the implementation.

Although you mentioned this a little in your remarks, Senator Abourezk, just for emphasis I want to say that we, too, believe that implementation must occur in order to satisfy the progress that Public Laws 638 and 437 and the Indian Financing Act—those kinds of laws that actually put the responsibility on the tribe.

We feel that the implementation of the processes to make it effective ought to be put on the Bureau, so that builtin failure does not occur.

There are some tribes who feel that to accept Public Law 93-638 would actually jeopardize the trust. We feel that this should be dispelled. We feel that one of the issue statements that ought to relieve the tribes from concern about whether or not they are about to be terminated should be emphasized.

So the application of the procedures as intended by these laws could actually be applied in cooperation and an enthusiasm that would get things done.

But the recommendation that you sparked in the beginning of a Senate resolution or an act requiring periodic reporting I think should be a part of the budget process to show that there is a long-range program for the tribes. I think the budget process should include the objectives in terms of tribal activities, and that it should be tribally supported and submitted along with the budget of the Bureau.

If there is a review and policing, we believe that your committee has the right to ask GAO to investigate the operation and the activities.

We believe that this committee has the right to inquire through its oversight responsibility and authority to use its staff in making inquiries as to the progress, the reporting on, and the activities of implementation, when and if this occurs, and as it occurs.

I would like to say that this is a process that can't just be declared to be implemented and tomorrow everything is going to change. There has to be some first things done first. It may take some time to accomplish it. There may be some evaluations of employees to carry it out. It isn't something that is going to be done by the snap of your fingers. But if and when these things are done, the increased payoff and the long-range economy of doing these, we believe to be very worthwhile.

The experience of Warren King & Associates in the approaches that they have taken with regard to State governments, local governments, and educational institutions within States is that generally they have been successful to the extent that they have realized considerable high percentages of the estimates reflected in their reports.

I would like to say that we appreciate the cooperation we got from many of the BIA employees. They, too, are anxious for improvements and changes to do something that will give them the freedom to do what Indians feel and want.

Chairman **Abourezk.** Did you find in your discussions with BIA people during this—and I have heard this before— that there is a diminishment of morale in the BIA because the management is so poor. They would rather have a better line of authority—one they can understand—to know what their specific objectives are? Do you find that to be the case?

Mr. **Goetting.** Yes, to a great extent.

One reliance in the communications is to the manual, and the Bureau manual has not been updated for 10 years. There are no real guidelines to the conscientious employee to support himself in the decisions he may make.

If you are writing the rules as you go, it is very difficult to say what kind of decision response you will get.

Mr. **Biba.** There was no deliberate effort to measure attitude throughout the survey. However, I think we sensed—all of us as a group—collectively at the end that there was, indeed, a morale question. There seemed to be a need on the part of the employees for more direction and more guidance. As a result, there was a complacency and a falling back on the attitude that we can't do it; it's not our job, or the policy manual won't permit this or that.

So there was a constant falling back—is the best way I can explain it—on procedures and guidelines rather than trying and attempting to do new things.

Chairman **Abourezk.** No one was willing to take responsibility?

Mr. **Biba.** I think that is a good way of saying it.

Chairman **Abourezk.** Do you have more slides? We have to hear from Mel Tonasket before noon. He has to catch a plane.

Mr. **Biba.** We have one more slide to show you the savings now after the costs.

Recommendations	Action required	Financial impact	Estimated amount
BUDGET PROCESS			
1. Establish a formal planning system within BIA and integrate it into the present budget process.	Executive		
2. Reorganize budgeting, planning, and intergovernmental relations into 1 integrated organization.	Executive		
3. Stimulate Indian participation in the budget process.	Executive		
4. Include all nonbanded area programs except trust funds in the agency budget formation process by fiscal 1979.	Executive	1-time cost	$50,000
5. Make the budget function responsible for variance analyses and performance reviews.	Executive		
6. Emphasize Indian participation and band analysis in the BIA budget review to the department, OMB, President, and Congress.	Executive		
7. Establish annual project planning at area and agency levels for all continuing programs and monitor performance quarterly on a personal basis, altering the plan to reflect status changes.	Executive	Annual saving	250,000
PERSONNEL MANAGEMENT			
8. Strengthen Indian preference to improve BIA effectiveness while continuing to hire, train and upgrade Indians for Bureau employment.	Executive		
9. Develop a human resources planning system using industrial engineering techniques to establish appropriate staffing levels and position requirement.	Executive	Annual saving 1-time cost	75,000,000 430,000
10. Develop an aggressive recruiting program to secure qualified or trainable Indians.	Executive	Annual cost 1-time cost	150,000 50,000
11. Reorganize the employment classification system to improve credibility.	Executive		
12. Improve BIA employee relations practices	Executive	1-time cost	100,000
13. Develop training programs to meet specific BIA requirements.	Executive	Annual cost 1-time cost	80,000 200,000
14. Continue regular civil service evaluations and upgrade personnel-management quality through Department of the Interior project manager appointments.	Executive	Annual cost	42,000
MANAGEMENT INFORMATION			
15. Establish and install performance measurement standards.	Executive	Annual saving	15,000,000
16. Initiate a program to improve and facilitate general communications between central office and field supervisors.	Executive		
17. Develop a concise statement on critical issues	Executive		
18. Improve the management by objectives program	Executive		
19. Expedite the automatic data processing modernization study to insure completion by Jan. 1, 1977.	Executive	Annual cost Avoidance	10,000,000
20. Complete application analysis section of the modernization study by Oct. 1, 1976.	Executive		
21. Add remote access and interactive capabilities to reduce processing time and increase computer program development efficiency.	Executive		
22. Develop an inventory system for a comprehensive equipment management system.	Executive	Annual saving	6,000,000
23. Develop standardized material and supply inventory systems.	Executive	Annual saving 1-time saving	5,000,000 20,000,000

Chairman ABOUREZK. That is the annual savings?

Mr. BIBA. The $20 million at the bottom is one time; with that exception, it is annual.

There is an annual savings which isn't showing on that which is $11 million on reduced personnel costs as a result of the proposed organization structure.

Mr. GOETTING. Primarily it is a reduction on the area offices.

Chairman ABOUREZK. The previous slide showed the cost of implementing this?

Mr. BIBA. We estimated approximately $1.1 million.

Mr. GOETTING. It is $1,102,000.

Chairman ABOUREZK. To implement and you save annually $122 million.

Mr. BIBA. That is a pretty good return.

Chairman ABOUREZK. Not bad.

Senator MELCHER. What is the one-time cost?

Mr. BIBA. Approximately $1.1 million.

Senator MELCHER. As compared to a saving annually of $122 million.

Mr. BIBA. Those costs incidentally were one-time costs. They are not ongoing costs. So it is essentially a startup cost.

Mr. GOETTING. I think that concludes our briefing of the elements.

Chairman ABOUREZK. We did ask questions throughout the presentation, so unless you have anything else, I want to express my thanks to you both for an excellent presentation.

Joe De La Cruz and Mel Tonasket are the next witnesses who will appear together as a panel.

STATEMENTS OF MEL TONASKET, PRESIDENT, NATIONAL CONGRESS OF AMERICAN INDIANS, AND JOSEPH DE LA CRUZ, PRESIDENT, NATIONAL TRIBAL CHAIRMEN'S ASSOCIATION

Mr. TONASKET. I appreciate the opportunity to be here today.

I am sorry that I don't have a written statement prepared for this committee.

The main reason I came into town is because of a water rights problem that Interior has presented to Indian country. So we have been spending all of our time dealing with that issue.

I would like to give the committee a resolution that was passed on January 18 at an NCAI executive council meeting held here which adopted and supported the following general principles in the new Bureau of Indian Affairs administration.

If I might, I would like to go over the seven points:

1. That an Indian management team be selected which is prepared to implement an action plan.
2. That the BIA budget process become a tribal budget process with BIA participation, emphasizing Indian needs.
3. That the BIA management information and automatic data processing system be overhauled to provide for tribal use and terminals with full access to the BIA/tribal budget information.
4. That a new organizational structure be proposed to transfer authority to the tribal level.
5. That the 12 area offices of the BIA be immediately divested of their line authority and those authorities be delegated to the agency and tribe.
6. That a General Counsel's Office be immediately created by the Secretary of the Interior to relieve serious conflicts of interest.
7. That the Secretary of Interior administratively create an Assistant Secretary for Indian Affairs immediately. This has already happened, I guess.

The resolution was passed unanimously at our executive council meeting, and I would like to make it a part of the record.

Chairman ABOUREZK. It will be accepted.

[The resolution referred to follows:]

FIFTH SESSION

JANUARY 19, 1977.

President Tonasket called the Fifth Session to order at 10:00 a.m. and called upon Mr. Joe Cloquet to present those resolutions which were initiated during the course of the Executive Council meeting. These were read and passed and are included in the back of this report.

President Tonasket then called for Ernest Stevens and Ray Goetting to present the plan of Action for the Bureau of Indian Affairs under the Carter Administration.

The plan, "Transition Proposal for the Administration: A Management Model for Indian Affairs", was presented to the Executive Council, and an accompanying resolution was adopted as follows:

Whereas, there has been 76 management studies of the Bureau of Indian Affairs in the past 25 years; and

Whereas, continued studies is a substitute for immediate action; and

Whereas, a transition proposal for a management model for Indian affairs has been presented to the new Administration (INDIAN SELF-GOVERNMENT "An Alternate to Rule by a Federal Department.") ; and

Whereas, the principles in that proposal have been continuously supported by the Indian tribes; and now therefore, be it

***Resolved*, That the National Congress of American Indians in Executive Council Assembled in Washington, D.C., adopts and supports the following general principles in a new Bureau of Indian Affairs Administration:**

1. That an Indian Management team be selected which is prepared to implement an action plan.

2. That the BIA budget process become a tribal budget process with BIA participation emphasizing Indian needs.

3. That the BIA Management information and automatic data processing system be overhauled to provide for tribal use and terminals with full access to the BIA/Tribal budget information.

4. That a new organizational structure be proposed to transfer authority to the tribal level.

5. That the twelve Area Offices of the BIA be immediately divested of their line authority and those authorities be delegated to the agency and tribe.

6. That a General Counsel be immediately created by the Secretary of the Interior to relieve serious conflicts of interest.

7. That the Secretary of Interior administratively create an Assistant Secretary for Indian Affairs immediately.

And be it further

***Resolved*, That continued necessary studies be conducted in an action context with the philosophy of implementation.**

(*The Transition Proposal for the Administration: A Management Model for Indian Affairs* is a lengthy document that could not be included in this report.)

Mr. TONASKET. I did have the opportunity to participate with Task Force Three, which this subject the hearing is held on today was a part of.

Although when we divided up the task force responsibilities, Mr. Goetting had BIA and I had trust responsibility. But I am familiar with the overall management study, and I did critique it before it went into final form.

I have to agree with the majority of the management study report, but there was one question that I had when I critiqued it and continue to have. That is, the problems that we have with the civil service employees within the BIA.

It is my position, and always has been, that it doesn't make any difference how you restructure the BIA—what lines run to where—as long as you have the same individuals with the same mentalities and the same ideas and either fears or negative attitudes about tribal government, nothing will change.

I think if you really look at the history of the different factions within the BIA, it is always being reorganized and restructured, yet nothing really happens at the reservation level because the same individuals are there.

I think that the civil service question has to be considered. Maybe it was too complicated or maybe it was too touchy. I don't know the reason why it wasn't approached or attacked more vigorously than it was. But I would hope that I have made my point very clear. I know how difficult it is—not only being president of the National Congress of American Indians but being a tribal councilman and a past chairman and presently a vice chairman of my tribe—to try to replace bureaucrats when they are covered by the civil service laws.

As a member of the task force, I was made aware of something I didn't know before. There have already been laws which were supposed to have created their own BIA-type civil service, with its own requirements to fit the special category of Indian affairs.

I wish that would be done. I would hope it would be done very soon.

It seems to me that if the U.S. Government can make certain qualifications and backgrounds and attitudes for a requirement for people to work in the foreign service and other parts of Government, with the uniqueness of the laws and cultural and heritage backgrounds that Indians and tribal government have, that we deserve the same consideration.

I think that I have made my personal position very clear on band analysis problems and the budget process that BIA is involved with.

It is my belief it is a total farce. I know, as a councilman, when we go to the band system, it leaves us with no alternative.

I don't know how the BIA can operate under that sort of a budget process.

The witnesses before me I think were right on point when they said: How can something operate when they can't plan from year to year, based on what the Office of Management and Budget tells the BIA they can have?

That is not a planning process.

I fully support, personally, the NCAI position that area offices should be changed—that line authority should be taken away.

I know, as a councilman, it is very, very difficult to get Public Law 638 contracts through the area office. I've tried my best, when necessary, to go through the central office to get contracts. I don't receive as much flak, and they don't nitpick words and hold up a contract because maybe the tribe has "r" instead of "n" or something little that they don't tell us is the problem.

I know there are a number of tribes that just don't work with area offices.

I think that there should be more of a technical assistance plan. There is no place in the BIA where you can get hydrologists and geologists and agronomists—people in the different sciences that we need as experts, particularly when we are preparing for litigation.

I will use hydrology as a perfect example. When the Colville Tribe got into water litigation and we needed hydrology and expertise in those areas, the Government tried to get us to go through the USGS. Whenever we talked with USGS, we were made very aware that whatever we gathered, or they gathered, would also be given to the Department of Justice which had taken a position in this water litigation contradictory to the tribe's position.

Because of those situations, we need to stand up with competent people within the BIA. I think to just change the area offices into technical assistance centers—if that is what the title might be—we can't keep the same personnel there.

I know when we got rid of some of our agency people because they weren't doing their job and weren't advocates for tribal government, they gave them a promotion and put them in area offices.

I think that there is too much of that. I think that by taking the line authority and giving it to the agency and converting the areas into more technical banks, that we will save some money. Hopefully, that money will be used to help establish agencies where there are multitribal agencies now. For instance, on the northwest coast where Mr. De La Cruz comes from and in Nevada where it is really needed.

I, personally, met with tribes that hadn't seen a BIA person for a year. I think Southern California was a classic example of that when I toured down there as a member of the task force.

I could go on and on about the problems that I see within the BIA. What I would rather do is to have you ask me some specific questions when you are ready for questions and answers, so that I might address those specifics that you want information on.

Chairman ABOUREZK. You were here during the presentation by the management study group of the reorganization.

I think that you stated that you endorse most of the provisions, but let me just ask you one question.

You are a tribal official. You have lived as a member of a tribe and an official of the National Congress of American Indians. Would you liken the attitude of the BIA in their relationship to tribes as that of a patronizing agency toward the people they are supposed to be serving?

Let me just elaborate on that a bit. It seems to me that the BIA, which has total control over not only the budget of the tribes but of their daily lives, is dealing with adults and mature people as though they were children. Do you see that as a philosophical problem? They don't deal with them as equals. They don't give them room to operate and room to grow.

Mr. TONASKET. I definitely do. I think that has pretty much been resolved on my reservation, because we handpick most of the people that work in the Bureau and we have one of our own tribal members as superintendent.

When I first got on the council 7 years ago, it definitely was like that. I am well aware of some other areas and other agencies that fit the description you give exactly.

I don't know whether they consider us ignorant, or whether they are afraid for their jobs, but, as I testified before you in Albuquerque on Public Law 638, they don't give you much leeway.

I know that when Congress passes acts that basically are helpful to the tribes, when the Bureau gets done writing the regulations, it is almost unrecognizable.

I think a lot of these things could be changed administratively. Hopefully, with the new Assistant Secretary working with the National Tribal Chairmen's Association and the National Congress of American Indians and our resource people that we can put some of these back in line.

Chairman ABOUREZK. Do you think there is a desire on the part of the administration to do that—to make those changes that are necessary?

Mr. TONASKET. It would be completely an assumption on my part. But if you want my assumption, I think that the biggest percentage—

if I had to give a percentage—of the Bureau does not; mainly because they are concerned about their empires and their survival, and not necessarily ours.

Chairman ABOUREZK. Do you think, as you said earlier, that they are worried about their jobs and that is why they treat them like children? Is that the reason for the treatment the Indian tribes get?

Mr. TONASKET. Yes. I think the Self-Determination Act is a good example of that where they really lobbied the tribes, scaring them out of contracting, saying that it was termination.

I think that is the way they control contracts, and that when we do have a contract that they don't provide the followup to monitor and to make sure that the contracts are running properly, just gives us ways to defeat ourselves rather than assisting those governments in developing themselves so that they can take care of themselves.

Chairman ABOUREZK. That is all the questions I have.

Senator Melcher?

Senator MELCHER. I have no questions at this time.

Chairman ABOUREZK. I appreciate your presentation and your testimony given in response to the questions.

Mr. TONASKET. It is my pleasure. I am more than happy to respond. And I will be happy to respond in the future if you have any further questions.

Chairman ABOUREZK. We will be having continuing oversight hearings on different aspects of the Bureau, and we will look forward to hearing your testimony on each of those aspects as well.

Thank you very much for your testimony.

Mr. De La Cruz?

Mr. DE LA CRUZ. Mr. Chairman, on behalf of the National Tribal Chairmen's Association and on behalf of the Quinault Tribe, as its president, it is an honor and a pleasure again to come before this committee.

I have a written statement on behalf of the National Tribal Chairmen's Association which I would like to submit to the committee for the record.

Chairman ABOUREZK. It will be accepted.

[The prepared statement referred to follows:]

STATEMENT OF JOSEPH DE LA CRUZ, PRESIDENT, NATIONAL TRIBAL CHAIRMEN'S ASSOCIATION ON ADMINISTRATION OF INDIAN AFFAIRS BY THE DEPARTMENT OF THE INTERIOR

Mr. Chairman, I am Joe De La Cruz, President of the National Tribal Chairmen's Association and Chairman of the Quinault Indian Nation of Washington. I would first like to thank you for extending me your invitation to testify here today concerning executive administration of Indian Affairs. I hope to be able to address as many of your concerns as possible, but I must note that NTCA received your Memorandum on Specific Questions for these Hearings only two days ago and I saw them for the first time last night. The time has, therefore, been totally insufficient to assemble the views of the many NCTA constituent tribes and to consolidate them into a unified presentation. If NTCA or any other organization purporting to represent the views of a diverse membership are to consult meaningfully with the Congress or the Executive Branch, there must be greater respect for the time elements involved.

NTCA is an association of the elected or appointed principal leaders of some 190 Indian tribes and Alaska Regional Corporations representing a broad diversity of tribal population sizes and characteristics, land bases, and political and socio-economic circumstances. As such, it seems safe to say that our membership has had quite different experiences with the Interior Department's Budget process, the funding of tribal governments, the impact of federal administrative structure and Interior's personnel management policies. It is not possible to answer all of the Committee's questions on behalf of all tribes.

We propose, instead, to offer some general observations on the subject areas identified by the Committee. In addition, we will circulate the Committee's Memorandum among our member chairmen, soliciting their written answers and comments which we would then forward to the Committee within 30 days or within such time as the Committee specifies.

In analyzing current federal administration, we start with the proposition that the goal of the Department of the Interior and the BIA must be the most effective delivery of federal funds to Indian people. The federal dollar must be delivered as close to the problem as possible with the greatest possible impact. Administrative costs—multiple skimming of program dollars at layer upon layer of the bureaucracy—must be reduced.

Whatever recommendations are made to accomplish this goal, NTCA strongly endorses the principle of maintaining and enhancing flexibility in the development of tribal initiatives at the local level. Tribes are well able to identify their specific needs. Self-determination and dollar effectiveness, if they mean anything, mean that each tribe must have the capability of setting its own priorities and establishing for itself the economic dimensions of tribal life.

The BIA Management Study performed last year as part of the work of Task Force 3 of the American Indian Policy Review Commission represents an important attempt to bring professional analysis to bear on the administrative problems of the BIA—and we do acknowledge that problems exist. However, the Management Study should be received with a good deal of caution. An NTCA special committee reviewed the Study last November and reported that the perspective of the Study was too narrow, that it appeared to focus exclusively on technical questions of internal agency management, operation, and organization without sufficient regard for the unique constituency served by the agency. The Committee felt the Study had not considered the BIA in the context of tribal human and resource needs and goals, or in the context of existing federal law defining the purpose and function of the BIA. Nor had the study adequately addressed the need for resolution of conflicts of interest with other federal bureaus and agencies.

BUDGET

Considerable improvement could be made in the BIA's overall budget process. Band Analysis is a desirable concept, but it has its shortcomings, many of which were identified in the Management Study. Banded programs account for a minority share of tribal budgets and tribal participation in and control of the budget process, therefore, is no more than that of a minority partner in business. There is some sharing of responsibility, but this is not the equivalent of self-determination. Planning and operational flexibility should be fully developed through the maximum possible banding of programs.

The BIA Management Study rightly identified budgeting problems stemming from the lack of long-range planning and tribal needs assessment. Long-range planning is especially critical in the area of natural resource development and management. Orderly timber management, or coal development, for example, obviously cannot be most effectively planned on the basis of 18-month budget cycles.

Band analysis should not be a substitute for more studied tribal needs assessment. Again, we want to stress the importance of delivering the federal dollar so that it has the greatest possible impact on the most critical tribal needs. Rote application of funding formulas cannot and does not always accomplish this goal. Recently, in Albuquerque, at the oversight hearings on implementation of P.L. 93-638, we testified concerning the especially difficult burdens faced by small tribes where an adequate needs assessment is not made.

This leads us to another of the Committee's specific questions. Adequate consideration is not accorded in the budget process to actual service populations of the tribes. With small tribes the service populations are often interpreted too literally, without regard for actual higher costs associated with delivery of service on a smaller scale. With regard to larger tribes, ways must be found to make the budget process responsive to the recently expanded concept of service populations, the broader interpretation of "on or near reservation" mandated by the Supreme Court's decision in *Morton* v. *Ruiz*.

STRUCTURE

I think the problem with BIA organizational structure is more a question of fragmentation of authority than one of Area Offices having too much power. Some tribal chairmen feel the Areas actually have too little authority to meet tribal needs—that too much has to be referred back to the central office for approval. Others feel strongly that more authority must be granted to the Superintendent at the agency level. This was in fact the position of the NTCA's special review committee in its reports on the Policy Review Commission work. That Committee felt that a new emphasis on and delegation of authority to the Agency with an altered, more technical role for the Area Offices would in fact improve delivery of services and cut administrative costs. A common complaint of tribal chairmen has been the definite problem in many Areas with the disbursement of funds becoming bottlenecked at the Area level. Monies are not reaching the tribes quickly enough from the source after they are committed.

In summary, there is considerable support among tribal chairmen for a major restructuring of the Area Offices, but that support is by no means unanimous.

Indian individual and tribal life, like the life of no other group in modern America, is constructed upon legal advice. The quality and independence of that advice, therefore, is of deep and special concern to us. The inherent conflicts of interest existing in the federal administration of Indian affairs in general and the trust responsibility in particular must be resolved. I recently chaired an NTCA study committee which recommended strengthening the position of the Associate Solicitor of Indian Affairs, making that office more independent in its advocacy of Indian positions. Complete removal to the BIA of Interior's legal capacity in the area of Indian affairs could have adverse consequences for the tribes. The tribes, we feel, need a direct lawyer/client relationship with the Department. Such a relationship would be damaged if the present Associate Solicitor became, in effect, general counsel to the Bureau rather than the tribe's advocate in the Department. Of course, the Bureau needs legal expertise, but we would not accept a nominal or functional downgrading of the primary federal Indian legal officer that would damage tribal legal positions within the Department or vis a vis other federal agencies, especially the Department of Justice.

In the area of personnel management serious consideration must be given to the creation of an Indian career service. We are not, however, offering an endorsement of the concept at this time. We would not like to see, for instance, the development of a personnel system which would seriously impair tribal access to the most competent personnel and professional assistance available. Nevertheless, a well conceived, well run service could greatly expand the collective skills of Indian people and advance the cause of Indian individual and tribal economic development as well as the quality services.

These are necessarily general observations on some of the questions posed to us. We thank the committee for the opportunity of testifying but hope to be able to supplement our views at a later date.

Mr. De La Cruz. I have been the president of the Quinault Tribe since 1970, and I was the business manager for 5 years before that.

In many of the areas that the management study speaks about, I have many personal experiences with the Bureau as far as their administration.

I am glad that this committee and the American Indian Policy Review Commission have taken a deep interest in taking a look into this.

From my own experience, I know that we can reshuffle organizations; but I think the whole intent of what we want is getting the delivery of services that Indian people are entitled to down to Indian people—which hasn't happened through many, many years of paternalism by the Bureau of Indian Affairs and the U.S. Government.

The questionnaire that was sent out—last night was the first opportunity I had to review it—I could probably answer most of the questions the committee is asking. I could ad-lib on every one of those of the experiences that we have had in contracting and in paternalism—treating the Indian people as children rather than as their trustee.

As far as the past structures of the Bureau and the structure of the organization, there has been a national position, and there was a resolution last year by the National Tribal Chairmen's Association to make some changes with the area offices to do away with them.

When we analyzed the budgets and what it costs to operate those area offices for the amount of service we get out of them for the Indian people, it is not a very effective way of spending dollars.

The other area I definitely feel there is a problem in, as far as the management of the Bureau and the personnel. It is the quality of the personnel of the Bureau in their various departments.

When it comes to giving technical advice and things regarding intensified management of the natural resources on an Indian reservation, under the present regulations, the Indian Self-Determination Act, the Bureau at this point in time is unable to compete for the type of people that we have to deal with when it comes to natural resources.

In my own tribe, I have laid quite a record for the past 5 years with the House and the Senate on the problems of forestry management. Many of the programs that the Bureau administers treat the symptom and never get at the cause.

I had an example a couple of weeks ago where the Bureau tried to ignore tribal government and treat us like children. It was over some timber resources, but there happend to be an eagle tree right in the middle of that property with an eagle nest in it.

The Bureau chose to issue a permit and tell the non-Indian logger to go ahead and log and leave the single tree standing, and to completely ignore the tribal laws and ordinances and the tribal chairman.

The State Forestry Practices Act states that there should be 31 acres left around an active eagle tree. Federal forestry regulations say 350 feet. The Bureau chose to ignore that and leave the single tree standing, which they have done with two other trees on Quinault, and the eagles moved away. The tribe took action and took the Bureau into tribal court. We are not through with it yet. But it is areas like this where every law of nature and all reason is with the tribe. Our paternalistic trustees choose to ignore these things. This happened in other areas on the Quinault Reservation. We just won't sit still for it.

As I testified, in the area of forestry management, the Bureau's position has been that they are always short of personnel. When I hear that they are going to save money, they are short of personnel. But our position is that they are also short of quality personnel.

When we hold seminars with industry in natural resources, the people we have to deal with and compete with, we find that industry manages their resources for the stockholders for survival.

We look across the Nation at Indian resources. Historically, if you really analyzed it, they are managed on a liquidation basis. I sometimes wonder if these later acts of self-determination are really meaningful, or are we going to get from this management study a centralized and organized structural trustees and BIA streamlined enough to get the expertise, programs, and dollars to the Indian people which reflects all the way back through the conglomeration of boxes the Indian wishes. Or do we continue to have an organizational structure where there is no pyramid to it and no stopping of the buck.

As far as the budget process and the band analysis, my experience with the band analysis system as it reflects to the tribes is that the budget system which the Bureau supposedly consults with the tribe on as a rule is a budget-building to perpetuate the Bureau of Indian Affairs and its own system.

That is why, during most of the appropriation hearings, you have most of the tribes coming in and trying to tell their own stories of their needs. Because of the redtape you have to go through once you get those dollars, we were able to convince a pilot program on forestry direct funding. I am hoping that we can show an example of a tribe being able to do something without going through 60, 90, and 120 days of redtape to do what it and the Bureau agreed on doing with the dollars that were lobbied on behalf of the reservations for taking care of their problems.

Chairman **Abourezk**. Joe, I would just make a comment at this point.

I asked the Deputy Under Secretary for Interior if he would either attend these hearings today or send a representative. He is not in town. I was told that a representative, not from the Bureau, but from the Department of the Interior would be here.

I asked at the beginning of this hearing if there was an Interior representative here, and there was not. I want to ask again.

Is there anybody here from the Interior Department?

Mr. **Gingles**. Yes, sir, there are about five of us here.

Chairman **Abourezk**. What is your position?

Mr. **Gingles**. I am in the Congressional Liaison Office of the Secretary of the Interior.

Chairman **Abourezk**. And your name please?

Mr. **Gingles**. John Gingles.

Chairman **Abourezk**. Have you sat through most of the hearing this morning?

Mr. **Gingles**. I have not. We have had our departmental people here from the Bureau on our behalf.

Chairman **Abourezk**. That is from the Bureau, but you are the only one from Interior?

Mr. **Gingles**. From the Secretary's Office of the Department of the Interior.

Chairman **Abourezk**. The reason, Mr. Gingles, that I wanted somebody here was specifically to hear the presentation of the reorganization plan itself, so you could brief the Under Secretary as well as the Secretary on the plan, since neither one of them could be here.

I wonder if we might be able to give you a separate briefing. Mr. Biba and Mr. Goetting are still here.

I think it is important to have somebody from the Secretary's Office, rather than from the Bureau. I think there is a general resistance in the Bureau on reorganization.

Mr. **Gingles**. We understand that. The Secretary and Under Secretary will certainly be briefed on what transpired. We have a great deal of confidence in Mr. Reeser who has been here.

Chairman **Abourezk**. I have a great deal of confidence in him too, except that I wouldn't expect anybody from the Bureau to want to reorganize itself. That is why we wanted the Secretary or his representative to at least understand the plan that the American Indian Policy Review Commission is recommending.

I would hope you would be able to get together with Mr. Goetting.

Mr. **Gingles**. We will certainly do that.

Chairman **Abourezk**. We think it is extremely important that unless something is changed, you may as well throw the whole thing in anyhow. I would hope you will pass on what you have learned from these technical experts to the Secretary or the Under Secretary.

Mr. **Gingles**. Yes, sir.

I think it might be appropriate to mention there are several people here from the President's reorganization project who are sitting in to see what is transpiring.

Chairman **Abourezk**. Were you here during the initial presentation?

Mr. **Mueller**. We were about 15 minutes late, but we heard most of it.

Chairman **Abourezk**. I would like to ask the staff to make sure that we have copies of that study given to these people.

I think this is a good sign that the President's reorganization people are here, because I think that is where the impetus has to come from.

Mr. **De La Cruz**. I have one final point I want to make on reorganization and structure and not only the Bureau of Indian Affairs.

Mel mentioned that we are getting many educated Indian people in superintendent's positions.

No matter how we streamline or reorganize the Bureau of Indian Affairs, as long as we have the conflicts of interest within the Justice Department and Solicitor's Office who are advising these Indian superintendents, we end up in situations like we have at Quinault with the eagle tree situation. Somehow that also is going to have to be looked at in reorganization and restructuring.

There are still a lot of old statutes, and sometimes congressional laws, that haven't been overridden or superseded. Most of them are statutes from the Department that our trustees seem to want to hang their hats on, even though there are instances where there are superseding statutes.

In forestry and some of these natural resource areas, I think I can send some things which show that is true where they use 1920 and 1930 regulations where there are later-date regulations.

Chairman **Abourezk**. Those are all regulations?

Mr. **De La Cruz**. Right. They are regulations.

Chairman **Abourezk**. I might point out that the 1934 Indian Reorganization Act gave the administration total authority, without coming back to Congress for additional authorization. The management study team also was one of the directions we gave them at the time to determine whether the reorganization needed congressional authorization or not.

The determination was that it all could be done through Executive reorganization. None of it needed to be done congressionally. The regulations can be changed by Executive order as well.

Mr. **De La Cruz**. The other thing that the American Indian Policy Review Commission study has aided us in realizing and developing is that we know what the relationship has been for the past 200 years. Through this study and through some of our own efforts and through some of the other Interior and Insular Affairs Committee studies, we know what resources we have. We know what the values of those resources are, and we want to work with this committee and the Congress and the administration to develop those resources for the full potential of this country and our Indian people.

It seems there has been a reluctance to get down to those issues of the natural resources.

I think August 12 Newsweek had an article about the energy resources on Indian reservations last year, and it amounts to a big percentage of what the United States retains.

So there is definitely a need for the direction we are going, to pull us together as Indian people who are the first citizens of this country with the Congress and with the administration.

Chairman ABOUREZK. I wonder if I could ask the President's reorganization staff if you are interested in talking to the technical experts that undertook the management study. Are you interested in getting a presentation from them?

Mr. MUELLER. I think we have talked with most of them. I would be interested in reviewing the report, and if we had questions, we could contact them.

Chairman ABOUREZK. They are from out of town and will be leaving today.

Are you interested in testifying before this committee, or do you just want to listen?

Mr. MUELLER. This time we are just interested in observing what is going on.

The actual issue which we represent is a natural resource issue which is supposed to be given to the President for his approval very shortly. So until we have that mandate to proceed, we are collecting data.

Chairman ABOUREZK. May we have your name?

Mr. MUELLER. My name is Oscar Mueller.

Mr. DE LA CRUZ. If I may take the liberty, I would like to ask Mr. Mueller if he would be willing to sit down with some of the Indian people over our natural resources? There hasn't been any dialog with some of the major tribes that have those resources. There has been a putoff until some things happen with the Under Secretary.

Mr. MUELLER. Yes, sir.

Chairman ABOUREZK. Committee counsel has some questions. Senator Melcher will complete the chairing of these hearings. As soon as Mr. De La Cruz is finished, we are going to recess until 2 p.m. when we will have Al Trimble, president of the Oglala Sioux Tribe, Reid Chambers, a private lawyer who was Solicitor for Indian Affairs in the previous administration, and Sherwin Broadhead.

I had a meeting 5 minutes ago, and I would like to ask counsel to complete the questions.

I want to thank you, as well as the other witnesses, for your appearance here today.

Mr. FUNKE. You mentioned that you thought there might be a revamping of legal representation. Do you feel the BIA should have its own General Counsel, apart from the Solicitor's Office?

Mr. DE LA CRUZ. There is a comment on that in my written statement. I chaired a committee of NTCA, and we have a written document about the conflicts of interest.

I think that if Indian Affairs stays within the Department of Interior, the Under Secretary of Indian Affairs should have his own solicitor or legal counsel, with staff separate from the other people in the Solicitor's Office. The BIA should have separate legal advice.

Mr. **Funke.** Should that counsel have independent litigation authority?

Mr. **De La Cruz.** Yes.

Mr. **Funke.** Is there any assessment of tribal needs and preparation by the BIA—any long-range assessment—of what the tribe's actual needs are, both in terms of services and program delivery and also in the area of natural resources and potential for economic development?

Mr. **De La Cruz.** As far as the budgeting process with the band analysis on long-range planning, there is no opportunity for it under the direction of the administration with budget and personnel ceilings.

If you looked at the record of individual tribal testimony where they try to accurately spell out their needs, you will find that in most areas there are many, many millions of dollars and they are really pipedreams of what they need to really get down to the business of developing their human resources and natural resources.

Some tribes—mine is one of them—have been able to utilize not only Federal/State foundation funds to really take care of some of the needs of our people not provided for in the present process of budgeting and programing for Indian affairs——

Mr. **Funke.** Is there any coordination between the Bureau's budget process and the budget process of other agencies outside of the Department of the Interior that have related programs? If not, does that have any adverse impact in terms of long-range planning or short-term planning of the tribes in terms of various programs and construction projects?

Mr. **De La Cruz.** Where you have the potential for integrated programs—and I am glad the White House people are back here—through the regional counsel concept, the agencies play Indian people off and play out one another. We are all willing to put in dollars, but they sit back for which agency is going to come up with the bucks first before the other ones kick in.

In the example of HUD and the bill on Indian housing development, it is either one agency or the other that has the money up front.

To the present budgeting process at least—and I don't know what will come out in the future—in some instances, Indian health may end up short for their end of the project or else the BIA in their budgets which I think are poorly planned.

The day before yesterday I attended a meeting for the Lummi Tribe for an integrated sewer project. It is EPA money, but also there is supposed to be HUD money and some other money going into it. It is a standoff of who is going to put their bucks up first.

The vehicle and the authority is there for them to really get in and do a job for Indian people.

I find there is a reluctance to do it because, I feel, there are very unclear guidelines in the regulations. A lot of the legislation specifies Indian tribes as units of local government. The guidelines developed after that legislation don't get down to the needs of a small Indian community. The guidelines are normally written for populations of 50,000 or 100,000, and they find it difficult to work it.

Mr. **Funke.** Do you think the situation could be remedied by consolidating a number of the Indian programs that presently exist in other departments?

Mr. De La Cruz. I think that would be one way of really taking a serious look at addressing the problem.

With the present structure of the various departments, the guidelines are different. Each and every one has different guidelines than Interior. HUD has different guidelines.

To meet Indian needs, someone is going to have to take a serious look at putting a set of guidelines together—whether it is three agencies or it is consolidated into one—to get those services to the Indian people.

There is no rhyme or reason to the guidelines from the different departments. They are all departments of the U.S. Government and completely different as to the nature of the work they do.

Mr. Funke. What participation do the tribes have in the budget formulations, outside of banded programs?

Mr. De La Cruz. Very little

Tribal participation, from my experience, has been with tribes where their own planning departments and tribal councils have put them together themselves and made their own pitch to the appropriations committees.

Mr. Funke. Does the budget sent up by the Department of the Interior to OMB, and the OMB-approved budget which is sent to Congress, reflect the needs of the tribe, or is it substantially altered by the time it gets there?

Mr. De La Cruz. What I found a couple of years ago, when I was looking into the band process, that by the time it went through the process of going to the area and back to the central office, you couldn't even find what started out. Even the Bureau education people I work with couldn't find it.

Mr. Funke. What kind of consequences did that have on the tribe? Do the tribes frequently have to go to appropriations committees for supplemental add-ons and that type of thing?

Mr. De La Cruz. Yes; we do.

Mr. Funke. Are the tribes advised of what the budget allocation is before Interior sends that budget over to OMB?

Mr. De La Cruz. The ceiling?

Mr. Funke. Yes.

Mr. De La Cruz. Normally we know what the ceiling is.

On the budget ceilings, at least since I have been involved, if you look back through the Congressional Records, we have made the various past administrations aware of the shortcomings in the dollars and the backlog of dollars to adequately manage Indian resources—whether it be grazing lands, farmlands, or forestry lands, or what.

As I recall, when Lee Bruce was commissioner, forestry and timber and land management had something like a $60 million backlog. Of course, we have been pointing that out year after year.

Where you end up with a budget ceiling each year, there is no way you are going to catch up on that backlog unless you go outside industry or foreign nations. Intensively managing a resource not only benefits Indian people, it benefits the surrounding economy and the State and national economy.

We are looking at that type of a budget backlog in many areas in natural resource management.

Mr. Funke. The Indian Reorganization Act authorizes a budget appropriation of $2 million a year for the acquisition of lands for Indian tribes. It is not a loan type of thing. The purpose of the funding was to acquire lands for tribes who had insufficient lands or whose reservations were severely checkerboarded.

The Department of Interior has not requested any money pursuant to that appropriation authorization since about 1954. Is there a continuing need for money to acquire lands for tribes that don't have a sufficient land base?

Mr. De La Cruz. I am a good Democrat, but they stopped that during the Eisenhower administration with their termination era. There definitely needs to be someone to take a look at putting dollars in to consolidate the heirship problems and fractionated interest of Indian land if that land is ever going to be put back into proper perspective—managing that land for the sake of the resource and for the sake of the Indian people and the counties, the States, and the Nation.

It is probably a negative value. It is a negative value to the tribe, to the people, and to the United States.

There are no guidelines on what to do about the heirship problem. It is a situation that is going to snowball as far as administrative costs to the United States—besides the fact that the lands are sitting idle because you have that complex problem.

Mr. Funke. It is more expensive for the Federal Government to administer the checkerboard type of reservation. Do you think it has an effect on economic development?

Mr. De La Cruz. To do any type of intensive management, it is impossible under present structures and present guidelines where you have to have the consent of all the owners. You have a fractionated interest of property. You have 100 to 150 heirs, and you have to do for each one of those people what you would have to do for a single owner or a single entity owner.

As the heirships increase and they start snowballing after awhile, it is going to cost somebody a lot of dollars to do something about it—or they never will be able to do anything about it.

Mr. Funke. Do you feel the $2 million appropriation authorization is adequate?

Mr. De La Cruz. It is not adequate at all.

For Quinault: We are preparing to come in for a restoration bill that will completely address this problem. Economically, the loss to the Indian people, the countries, the States and to the Nation, and the cost to the Nation to administer such a complex situation, is great.

Mr. Funke. In your prepared statement, you said that you didn't have enough time to respond to the specific questions that were sent out to the witnesses.

Mr. De La Cruz. As president of the national organization and as the president of Quinault, from my experiences with the questions, I would respond.

Mr. Funke. Perhaps I can run through some of those questions. First of all, would it be possible for you to get a position on a number of those major questions from NTCA and submit it to us at a later time?

Mr. De La Cruz. Yes.

On the things the American Indian Policy Review Commission has done, there are resolutions such as on the area office that NTCA passed over a year ago. That was not quite a unanimous decision by the board and by the membership.

There are other areas, and we will get that information to you and to the committee but there have been positions looked at and taken.

Mr. FUNKE. The Indian Reorganization Act also provides that the appointment of Indians will be made without regard to the civil service laws. The Secretary of the Interior is mandated by that law to establish independent standards for the Department in the appointment of Indians.

Do you feel that should be implemented, or do you have any specific knowledge of problems that the lack of implementation of that law has caused?

Mr. DE LA CRUZ. I definitely feel that the Department of the Interior and the Bureau of Indian Affairs should be making every effort to develop a set of policies for Indians—personnel policies to hire—and develop the technical skills and administrative skills of Indian people.

I know that that hasn't happened, and the Bureau itself, until a few years ago, used personnel departments—like in my area from the Bonneville Power Administration or somewhere else—where the personnel departments knew nothing about Indian people or of the 1934 act or anything else.

Mr. FUNKE. Have you had a chance to review the American Indian Policy Review Commission recommendations with regard to changing the line authority from the area offices to the agency offices and then consolidating area offices into regional service centers providing the technical assistance and administrative backup to the agency offices? Could you state your views on that?

Mr. DE LA CRUZ. I concur with that. I think NTCA did take a position that the area office be disseminated and maybe made into service offices.

My own feeling is that if that happens, those service offices get quality personnel. If they are not quality personnel, I know my tribe—and I think many other tribes—will go to outside consultants. We are talking about survival with some of the resource management things, and we have to have quality people as backup for service for that type of service office.

I definitely feel that all this authority belongs in the agency, and the dollars belong in the agency with the delegation of authority within those agencies to spend those dollars to the benefit of Indian people for what they are intended for.

The process that happens now, I think I pointed that out pretty clearly in Albuquerque with the hearing on the 638 situation.

Mr. FUNKE. Do you feel the Bureau does not have adequate technical assistance or does not provide adequately?

Mr. DE LA CRUZ. In natural resources, the Bureau definitely does not have adequate personnel. They don't have quality personnel to provide the type of technical assistance we need in the management of our resources.

One area that seems to have a lot of people concerned in this country—and there is a Presidential task force on it—is in the area of fisheries. The BIA has no fishery expertise. They never have had.

Mr. FUNKE. Could this be remedied by providing more contracts to the tribes to obtain their own technical assistance?

Mr. **De La Cruz**. Either contracts or contract dollars. That is the way we have had to treat this situation to be able to develop the information we have developed for our survival.

We have to be able to call on our trustee within the Bureau or the Department. We have some assistance in the fishery area from Fish and Wildlife, but there are conflicts there also.

Mr. **Funke**. That is all I have. Thank you.

Senator **Melcher** [acting chairman]. I have several questions that I want to ask so that I clearly understand your testimony.

You mentioned that long-range planning is especially critical in the area of natural resource development and management. You specify that timber management and coal development are examples.

You stated with regard to budgeting problems that planning for the natural resource development cannot be accomplished effectively on the basis of 18-month budget cycles.

Can you be more specific in your recommendation on what you would recommend for budgeting for that purpose?

Mr. **De La Cruz**. For timber management, it is just because of our pressures. The Bureau is trying to develop the expertise and capability to intensify the managed timber resources.

If they had that long-range plan—which they don't—intensive management plan—it would be possible to manage those resources on an 18-month budget. But they don't have that plan. Where the tribes have developed those plans, it is hard for us and very, very frustrating to know whether or not we are going to be in business from one year to the next on plans we developed to rehabilitate and intensely manage resources.

Senator **Melcher**. In other words, if a tribe which has some timber has a management plan for reforestation, it would have to be a plan over a period of years.

Mr. **De La Cruz**. That is right.

Senator **Melcher**. Would a plan for 10 years, for instance, be a practical time frame?

Mr. **De La Cruz**. Timber is managed, and industry manages timber, looking at the cycle of harvest. They are managing their timber 50 to 60 years down the road.

Where you have that type of renewable resource, it is almost a necessity to know where your dollars are going to come from to manage that type of resource for survival 50 to 60 years down the road.

How we got the Bureau off the dime was that we hosted a timber seminar for the tribes in the Northwest—Quinault, Yakima, and Warm Springs. We invited the major timber companies to that symposium to give presentations on their management. I think through that a lot of people's eyes were opened—the tribal people and also the Bureau.

Those industries are managing not only their reforestation but the total forestry ecological unit on a long-term basis and how that has to be treated—the soil, the cutting, and the harvest.

That is what I am talking about—a comprehensive plan of what is to happen. Without that plan, it is pretty hard to do anything on an 18-month budget cycle. Even with that plan, there has to be reshuffling in your budgets.

Senator **Melcher**. Eighteen months is much too short for timber management.

Mr. **De La Cruz**. It is much better than 12; that is what we were under.

Senator **Melcher**. But unless there were some provision for long-term budgeting for management of natural resources, such as timber or coal, then there is no practical solution. In other words, it handicaps the tribe in their management.

Mr. **De La Cruz**. What we are able to do—at least knowing 18 months down the road—through our plan, we know how many acres we will be able to rehabilitate. We know with that budget how many acres we can do soil analysis or soil rehabilitations on.

At least knowing what that budget is, we know from year to year we are going to have that much money. The Bureau hasn't been able to do that. They don't know what their budgets are from year to year.

As the president of Quinault, we are earmarked for 10 years. We know in 10 years what we can do. There are so many dollars each year for intensified management. But that was a pilot situation for one tribe.

I pushed and lobbied for that for 7 or 8 years of laying the record and the history of Quinault before the Congress, but that isn't true for the other 5 million or so acres of timberland under Bureau management. There are 5.5 million acres.

That is one situation where we have at least part of the problem. Ten years down the road we know how many dollars we have to work with.

Senator **Melcher**. Would a proposal for at least say a 3-year advanced budgeting that would roll on—in other words, every year you would know what the next 3 years was going to be in timber management—work?

Mr. **De La Cruz**. It would be much better than 18 months, as long as there was a flexibility where you needed budget adjustments for specific management.

Senator **Melcher**. I see.

I don't suppose your tribe is involved with coal?

Mr. **De La Cruz**. No; it isn't.

Senator **Melcher**. Obviously, any coal development in the West that involves strip mining will probably entail mining plans that have to be at least 5 years in advance. It is difficult to get anybody interested in developing a mine unless they know 5 or 10 or 20 years that they are going to be able to proceed. The investments are so large.

Indeed, I'm told that it takes about 5 years, perhaps a little less, to even secure the necessary equipment to open a strip mine that might result in mining, say, 2 or 3 million tons a year.

Yet that seems to be the size that would be opened, if it is going to be opened in an area. The question then comes about approving mining plans and ordering equipment and that's a delay. And then after you get the equipment onsite, most of the time it takes 9 to 12 months just to assemble the dragline, or whatever huge equipment is used in that type of mining operation.

So I believe I agree with you in a more long-range budgetary planning for tribes' natural resources—at least in these two areas of coal and timber.

Mr. **De La Cruz**. I don't come from a coal area, but I know from what happened with the Alaskan pipeline and our feelings on timber and other natural resource management—such as fisheries, where you have renewable resources—and some of the energy resources which are depletable resources, that the technology is here to do the proper planning, whether it is 10 or 20 years, and the proper dollars to do it right.

I think Indian people are willing to sit down with the proper Federal officials and people from the industry and satisfy that solution to get all those parties together. It took us years to get the timber companies together that we were fighting with to sit down and realize that we are not the children that our trustees sometimes treat us as; that we are reasonable people, and we can sit down at a table and work out some of these problems.

Senator MELCHER. You are speaking of tribe by tribe.

Mr. DE LA CRUZ. Tribe by tribe.

Senator MELCHER. You say that there is considerable support among tribal chairmen for major restructuring of the area offices, but that support is by no means unanimous. I would be surprised if it were unanimous. I have never known a situation where the tribes are unanimous.

But I want your feeling, speaking for the NTCA, first of all, on whether you believe there should be a continuation of area offices?

Mr. DE LA CRUZ. In some type of technical service capacity.

In the present structure and the budgets that go along with those area offices, I just can't see that as good management and a good delivery of services where it gets down to the reservation people.

Senator MELCHER. You think they are top heavy in personnel?

Mr. DE LA CRUZ. The whole structure and staffing, the agency where you have the same departments and same counterparts in the area offices and you get to the central office—everything we do, each one of those people have to initial and sign off.

The people that have to work with us and the Indian people are the agency people at the reservation level, yet they have a counterpart in the area that really does review work or provides technical services.

I can't picture how someone can provide technical services over and above what their counterpart right there on the site and working with the people develops from someone 150 to 200 miles down the road in the area office.

Senator MELCHER. Where is the area office for your tribe?

Mr. DE LA CRUZ. Portland.

Senator MELCHER. How far away is it?

Mr. DE LA CRUZ. 190 miles.

Senator MELCHER. What if it were at Salt Lake City?

Mr. DE LA CRUZ. If it is a technical service office, we work with other agencies where we have technical service. We are speaking of technical services out of Salt Lake City, and we got those services.

I happened to be with the University of Utah when OEO was first started. That was the technical service center for the Indian tribes in the Northwest. Those people were able to operate out of that service center at the University of Utah and get out to the reservations and try to provide the technical services. It isn't so with the area people.

Senator MELCHER. As I said, I am not at all amazed that there is not unanimous agreement about the tribes among the tribal chairmen on what should be done there, because there are two points involved.

Mr. **De La Cruz.** One area out of the 12 areas, I think, was a little hesitant and that was Oklahoma.

Senator **Melcher.** There are two points that come immediately to my mind.

First of all: Is the availability of whatever office that is left after restructuring, in terms of mileage, from a tribe? One hundred and ninety miles away from Portland is not a great number of miles in my State. With an area office in Billings, some of our tribes are over that distance.

But if the function of the area office would move to Denver or Salt Lake City, the mileage involved is quite considerable.

There is a second point that comes to my mind immediately also. That is, that if you are going to restructure on the basis of saving money, you are going to eliminate some personnel, and you don't save much money unless you do eliminate some personnel, and that would occur here.

The tribal chairman has to bite that bullet if it comes about, because a lot of those personnel are going to be Indians.

Mr. **De La Cruz.** The nature of the present structure—and I guess there is no guideline—185 miles or to Salt Lake isn't far. The mileage is immaterial. It is the nature of the present structure to get those people who provide the technical services to go out to the reservations. The majority of the people in those area offices you never even see.

If it was designed and restructured in order that those people are technical services—and they have expertise—if the agency people need them, that they get out and deal with those agency people and the tribal people.

It is hard for me to look at what was put up here this morning and say I am going to bite the bullet, and they are going to save that much money when I know of the shortages in the agency. I know of the shortages of manpower. Historically, as I mentioned, there is a backlog in natural resources. I think in restructuring they are going to do the job.

If they save any dollars, there has to be a reshuffling.

The Portland area in 1970—and I think it was $18 million in 1969 or 1970—approximately $12 million of that was to operate that agency. The other $6 million went to the 12 agencies. So the majority of the money in the area went to the agencies.

It is a counterpart situation; it is a layering situation.

Senator **Melcher.** Are you telling me—and I want to be sure I'm right on this—that you don't believe restructuring of the area office results in much loss of personnel, because there would be more shuffled down to the agency level?

Mr. **De La Cruz.** As I look at a lot of the past testimony of tribes and past Congressional Records, the personnel ceiling thing has put the Bureau in a bind. At the agency level there is a shortage of personnel.

In the one area I am familiar with, where forestry is our biggest branch in Hoquiam, there has been a shortage of personnel there for years—as compared to industry or State agencies or other Federal agencies—to manage the same amount of forestry resources.

I am saying that if you have good foresters in that area, they should keep some highly qualified technical person to be the adviser to those agency foresters in those 12 agencies.

As far as the rest of those personnel, those people should be put out in the agencies—or those dollars—to take care of the shortages that are a known record of backlog.

Senator **Melcher**. That is a good point. It is an excellent point.

If the hangup in providing that personnel is in the area office and a shift of emphasis from the area office to the agency would accomplish what you want, you might be able to walk what I consider would be a popular road for the tribal chairman. There is no reduction in personnel.

I well know that when you start reducing personnel, whether they are typists, clerks, or somebody higher in the GS level, you are going to have a built-in resentment on the part of the people that are either shifted out of their jobs—even if it is moving from Billings to the agency, which is one argument—but when they lose their jobs because it is eliminated, it is a greater argument. Then the tribal chairmen that are going to recommend that are on the spot.

Mr. **De La Cruz**. The other thing that I keep emphasizing is quality personnel.

In the Portland area, there was a county evaluation of grade levels and salary levels for academic—or the job that was related to that individual.

There is no sense in reshuffling personnel or changing things in the agency if the tribes have to go out and hire their own experts because you don't have it within the BIA.

Senator **Melcher**. That is an excellent point.

If the goal is technical assistance, then they better be qualified to provide the type of technical assistance that would be utilized if it were private industry; for instance, in the case of timber management.

Mr. **De La Cruz**. Yes.

Senator **Melcher**. That is an excellent point, Joe.

I used to live on the Pine Ridge Reservation. In the thirties and early forties, the biggest payroll in the area or the general vicinity was the BIA at Pine Ridge. Those were times when our total Federal budgets were very small compared to what they are now.

I would be interested, for my own information, to learn what the personnel on the Pine Ridge Reservation is now, as compared to what it was in the late thirties.

But I think I would agree with you that the technical advice should be available at the reservation level for natural resources, and that it should be of a quality to provide technical advice comparable to that advice that would be given to private industry.

Mr. **De La Cruz**. I realize this is not a popular move when you are talking about people's jobs.

I was part of a tribal task force for western Washington and the Portland area. We are a multiagency with 20-some tribes that have to get services out of an agency in Everett, Wash. Hoquiam is a subagency.

We visited each reservation under that jurisdiction, and our recommendations were to move, probably, to Olympia which would have been a more central point.

I realize there are a lot of jobs and a lot of dollars related to that agency in Everett. Senator Jackson is from Everett, and it wasn't a very popular recommendation but I have still pushed it for the last 5 years.

Senator **Melcher**. You have bitten the bullet.

Thank you very much.

The committee will be in recess until 2 p.m.

[Whereupon, at 12:55 p.m., the committee was recessed to reconvene at 2 p.m.]

AFTERNOON SESSION

Chairman **Abourezk**. The committee will come to order.

Our first witness this afternoon is Reid Chambers from the law firm of Sonosky, Chambers & Sachse. Mr. Chambers, would you come forward? Mr. Chambers is a former Associate Solicitor of the Department of the Interior for Indian Affairs and was, I thought, an excellent advocate for the Indian tribes. There have been others who have not been such a good advocate. We are fortunate to have his testimony here today, and we welcome him.

STATEMENT OF REID PAYTON CHAMBERS

Mr. **Chambers**. Thank you, Mr. Chairman. I thank you for your good words.

I have some prepared testimony which I have given to committee staff. I take it you would like me to summarize? Is that right?

Chairman **Abourezk**. If you would like to submit the entire statement and ad-lib the important highlights, then we would appreciate it.

[The prepared statement of Mr. Chambers follows:]

Testimony of Reid Payton Chambers

Mr. Chairman and members of the Committee, I appreciate the opportunity to appear before you today. I am an attorney in private practice in Washington, D.C.[1] As you know, I served as Associate Solicitor for Indian Affairs in the Department of the Interior from August 1973 through September 1976. I would like to offer some suggestions on how to improve the legal enforcement and implemention of the federal trust responsibility to Indians and Indian tribes by the Interior Department and the United States Government.

Historically, the record of the United States Government has not been a strong one in this regard. The Committee is, of course, familiar with the tragic conflict of interest which has impeded the strong federal protection of Indian rights promised in the various treaties, statutes and executive agreements and orders concerning Indian affairs.[2] Over the years, very few cases have been brought where the United States has been suing as trustee to protect Indian rights. More often, the United States has been in court as defendant for the failure to act as a trustee. Moreover, federal departments—chiefly agencies within the Department of the Interior itself, the U.S. Army Corps of Engineers and the Forest Service of the Department of Agriculture—have sought to seize Indian resources or limit Indian rights to resources. Because this conflict of interest continues today, a strong single-purpose agency should be created for fulfillment of the trust responsibility to American Indians, which has no "conflict of interest" and can vigorously pursue, advocate and implement Indian rights. The American Indian

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[1] Most of my practice concerns representation of American Indian Tribes. My office serves as General Counsel for the Assiniboine and Sioux Tribes of the Fort Peck Indian Reservation, Montana, the Shoshone Indian Tribe of the Wind River Indian Reservation, Wyoming, and the Standing Rock Sioux Tribe of North and South Dakota. We also serve as Special Counsel for various other Indian tribes, including the Temoak Bands of Western Shoshone Indians, Nevada, and the Seminole Indian Tribe of Florida. I am appearing today in my individual capacity and my views are not necessarily those of my clients.

[2] For the Committee's information, I am lodging with you a copy of a Committee print concerning administrative conflicts of interest in protection of Indian resources which I wrote in 1971 for the Senate Judiciary Subcommittee on Administrative Practice and Procedure.

Policy Review Commission has so recommended and hopefully Congress will act favorably on that recommendation. The Policy Review Commission wisely included, as part of this recommendation, a requirement that all federal agencies file an impact statement any time their proposed actions would threaten Indian rights. Otherwise, the Indian trust agency would be isolated, and Indians would lose the one advantage the present system gives them—that of learning—because they are in the fox's lair—what the fox is planning to do to them.

Pending creation of a new agency, I believe that there are some changes which should be made within the Department of the Interior to aid protection of Indian rights and enforcement of the trust responsibility. Over one-quarter of the Department's budget is devoted to Indian affairs. Some of its most exciting, and certainly many of its most significant, legal cases concern protection of Indian rights. Yet, the Division of Indian Affairs is the smallest of the five central office divisions in the Solicitor's office. This reflects an historic discrimination against Indian interests, derived from earlier days when Indian legal problems were of low priority in the Department. While recent Solicitors have devoted significantly more of their time to Indian affairs and the Department has become more cognizant of Indian problems and interests, the Indian Division continues to be greatly undermanned. Twelve to fifteen lawyers are its total complement to enforce the trust responsibility to over 300 Indian tribes. The Indian Division has a heavier caseload than most other divisions and many of its cases involve protracted legal proceedings against states and sometimes hundreds of private defendants, such as cases to adjudicate Indian water or hunting and fishing rights.

Although the Indian Division does not itself have a "conflict of interest" in that it has been charged in recent years solely with the vigorous advocacy of Indian legal rights, there is still a serious conflict of interest in the field and regional solicitor's offices around the country. Frequently, the same person within a field or regional office represents Indian rights and at the same time serves as the attorney for other bureaus and agencies within the Department of the Interior. Additionally, because Indian law has not been a favored practice within the Interior Department, most successful regional and field solicitors have built their careers through representing other agencies in the Department. As a consequence, regional and field solicitors are often unsympathetic to Indian rights. An administrative change should be made whereby attorneys are assigned within field and regional offices solely to represent Indian rights. These attorneys should report directly to the Associate Solicitor for Indian Affairs, so that their advancement, promotion and general support for their work does not depend on approval by a field supervisor. The number of field and regional personnel working in Indian affairs should also be expanded.[3]

Another change which should be carefully considered would be vesting the Associate Solicitor for Indian Affairs with direct authority to refer litigation to the Department of Justice, and/or to bring suits in the name of the United States as trustee for Indian tribes if the Department of Justice declines to file litigation he recommends. I should add that, in my experience as Associate Solicitor, it was somewhat rare for the Solicitor ultimately to refuse to sign a litigation report prepared by the Indian Division or for the Department of Justice ultimately to refuse to bring a case which had been referred to it. However, long delays sometimes occurred. Of course, if the Associate Solicitor is to have this authority—particularly authority actually to appear in court—personnel in his office and in field offices reporting to him would have to commensurately increase.

A final proposal I would like to address myself to is Recommendation Number 72 of the American Indian Policy Review Commission: that the Associate Solicitor of Indian Affairs be removed from the Solicitor's office and, instead, an office of General Counsel be created in the Bureau of Indian Affairs. I question the desirability of this change. If the Associate Solicitor were the General Counsel of BIA, reporting to the Commissioner, his capability effectively to advocate Indian rights could be curtailed in certain situations. As you know, Mr. Chairman, there is a strong tendency in any institution, including BIA, to defend any past decisions. For example, when the Northern Cheyenne Tribe of Montana in 1973 challenged the validity of coal leases which had been previously approved by BIA, the officials who approved those leases and others within the Bureau strongly resisted this challenge. Similarly, Bureau officials who have for two decades been involved in termination of certain California rancherias have vigorously resisted and continue to resist claims by rancheria members that their termination was invalid under acts of Congress. My present point is this: if the chief legal officer of the Department of the Interior dealing with Indian affairs were within the BIA and reported directly to the Commissioner, his independence and capacity to advocate Indian rights could be circumscribed where bureaucratic forces within BIA had created the past decision contrary to Indian rights. For in that kind of organizational structure, the lawyer's client would be BIA and his boss would be its Commissioner or Assistant Secretary.

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[3] As you know, Mr. Chairman, one Field Solicitor handles all work for Department of the Interior agencies in North and South Dakota and parts of Nebraska. There are over a dozen major Indian tribes in the area, and this individual simply does not have the time or resources carefully to investigate all of the legal problems and claims which can be made by those tribes. This problem was graphically demonstrated nation-wide when regional and field offices were asked to report on all possible claims for trespass against third parties which might be barred by the statute of limitations scheduled to expire later this year. Many offices reported that they know of no such claims, mostly because they had not had the time—or taken the time—to investigate them. Other offices, where both BIA and particular field solicitors had been more venturesome in discovering possible claims, reported scores of lawsuits which should be brought.

Moreover, given the present structure of Interior, the Solicitor can be a highly powerful officer, with staff and resources to become intimately involved in policy decisions. For this reason, it is useful to the protection of Indian rights that one of his top associates be an advocate of Indian rights.

On the other hand, I am certainly aware of the dangers where the Associate Solicitor is ineffective or unsympathetic to Indian rights; in such situations, he can be an obstruction to effective advocacy of Indian rights by, say, an effective Commissioner who would have no direct control over him.

I would leave the Committee with this suggestion: there are limits to what can be achieved by an institutional change. The soundest guarantee for strong and vigorous protection of Indian rights is to insure that both the Commissioner (or Assistant Secretary) of Indian Affairs and the Associate Solicitor are men of ability, integrity and unswerving commitment to the protection of Indian rights. No institutional change can insure protection of Indian rights if these conditions are not met.

I would also suggest that Interior's record in the protection of Indian rights has improved to some extent in recent years. There have certainly been grave derelictions—Solicitor Austin's "stroke of midnight" opinion last January denying the claim of the Quechan Tribe to land in southern California because it would interfere with programs of the Bureau of Reclamation, the allocation of Central Arizona Project water to the five central Arizona tribes, continued construction of the Central Utah Project, to name a few—but such decisions follow from the nature of the beast: an organizational structure where Indian affairs is part of the Interior Department. Further institutional tinkering with Interior will not alter these kinds of decisions.

Vigorous enforcement of the trust responsibility to Indians is a national responsibility of all agences of the national government. The Committee may wish to consider institutional rearrangements in agencies other than the Interior Department to eliminate obstructions to vigorous protection of the trust responsibility.

Mr. Chairman, I appreciate the opportunity to share my thoughts with the Committee today.

Mr. CHAMBERS. I will do that. First, my testimony assumes that the Bureau of Indian Affairs will stay in the Interior Department in the immediate future. I support the American Indian Policy Review Commission recommendation that it be transferred to a separate department out of the Interior Department. Of course, it would take legislation. I hope that that legislation will be forthcoming.

In the meantime, it seems to me there are several things that could be done within the Interior Department to improve the Department's record in terms of enforcing the trust responsibility to the Indians. I would like to catalog those in ad lib fashion.

Chairman ABOUREZK. Fine.

Mr. CHAMBERS. The first suggestion I would make to the committee is that the Division of Indian Affairs in the Solicitors' office ought to be expanded dramatically in terms of personnel. There are five central office divisions in the Solicitor's office. The Indian Division is the smallest division. It has been the smallest division for as long as anyone can remember.

There are something like 12 to 15 lawyers, depending on vacancies, that are charged with enforcing the trust responsibility for 300 Indian tribes, managing over 200 cases, most of which deal with cases where the United States is suing as trustee to protect Indian rights.

That just simply is not enough lawyers. The reason the Indian Division is the smallest division in the Solicitor's office is the historical discrimination against Indian affairs as one of the less important things that the Interior Department does.

I do not think that recent Solicitors have felt that Indian affairs is unimportant. I think that all of the Solicitors I have been acquainted with—Mr. Frizzell, Mr. Austin, and the present Solicitor, Mr. Krulitz—spend an awful lot of time on Indian affairs and recognize its importance. That has been to the benefit of Indians usually.

But I do think that, historically, the Indian Division was kept undermanned. While it has grown proportionately in recent years with other divisions, what really needs to happen is a dramatic reallocation of lawyer resources away from other divisions and into the Indian Division.

The second matter that I bring to the committee's attention is the problem in regional and field offices. The Indian Division, at least in the last several years, has been charged with one role, as the chairman mentioned at the start of my testimony. That role is the effective enforcement, without any conflict of interest, of Indian rights, which are part of the U.S. trust responsibility to Indians.

But in regional and field offices you do not usually have one person who has that responsibility and no other conflicting responsibilities.

Senator Abourezk, as you know, in South Dakota there is one field solicitor. He handles all legal work for the Department of the Interior in the Dakotas, in parts of Nebraska——

Chairman Abourezk. The whole Aberdeen area; is that right?

Mr. Chambers. That is right. He also handles the work for the Fish and Wildlife Service.

That is true throughout the West. The same people in the regional or field office will handle the work, both for Indians and for the Bureau of Reclamation, the Bureau of Land Management, for the Fish and Wildlife Service. It is the most manifest conflict of interest.

It seems to me, then, that what you ought to have is that, in each regional and field office where there are Indian matters that come to the attention of that regional or field solicitor, there ought to be one—or sometimes more than one—man who does nothing but Indian affairs.

I think the other problem that ought to be addressed is that, since Indian affairs has not been the glamor practice of the Department, by any means, most of the career civil service lawyers in the regional and field offices who have risen up the ladder to be regional and field solicitors have done so by specializing in other areas of practice. Regional solicitors in Portland or in Tusla, for example, where a large percentage of the work of both of those offices is Indian affairs, have made their careers by representing the public power agencies of the department and are exquisitely good public power lawyers but they are not knowledgeable about Indian affairs particularly. In some cases they are not sympathetic to Indian rights.

So, even if you had lawyers who did just Indian affairs, they should not report directly to a regional or a field solicitor whose major interests and major sympathies are elsewhere in the Department.

My second suggestion would be that you have individuals in regional and field offices doing exclusively Indian work and reporting directly into Washington to the central office Associate Solicitor, who is the Indian advocate, who is responsible to the Indian trust responsibility. I also think that the personnel in the regional and field offices doing Indian work ought to be expanded. The same problem is there, Senator Abourezk. There really are not enough lawyers to do the work needed for the Indians and for the trust responsibility.

My third suggestion is that you may want to look at some of the other agencies, not simply the Department of the Interior, in terms of the effective administration of Indian rights.

My only sense of the Department of the Interior is that it has improved in recent years. There have been terrible derelictions. For example, Solicitor Austin, just before he left office, wrote a midnight opinion denying the claim of the Quechan Indians to large amounts of land in southern California without legal justification. It was simply because of the politically powerful water districts and the Bureau of Reclamation wanted that opinion signed before he left office.

Chairman **Abourezk**. I recall that. I recall talking to Mr. Austin, trying to get that changed.

Let me ask you a question. Do you think that other agencies of the Government ought to realine insofar as Indian affairs are concerned? Isn't there a good deal of resistance to Indian programs in the Justice Department, for example, and other agencies?

Mr. **Chambers**. It may not be as much resistance as simply not having sufficient concern for Indian problems.

If you take the Justice Department, for example, Senator, the authority over Indian problems is dispersed in that Department, it is not centralized in any one place. You have got the Lands Division, which recently and admirably set up a separate Office of Indian Natural Resources.

You have got the Civil Rights Division, which has its Office of Indian Rights. The Criminal Division handles all criminal cases involving Indians or crimes on Indian reservations.

You have got the U.S. attorneys, who have a great deal of autonomy and handle a large bulk of the Department's caseload. Then, when a case is appealed, you have to persuade the Solicitor General's Office of the validity of an Indian position.

Unless you have key people in each of those offices who are pro-Indian and who recognize the trust responsibility of the United States to Indians and are determined to fulfill it, you are likely to get someone sitting there as a judge and saying, "Look, I don't agree with this argument." or "I don't agree with that argument." But they will not be looking at it as a trustee.

That is the problem you have, say, in the Justice Department. I think you have similar problems, let's say, in the Office of Management and Budget—at least in my experience. You have a low priority given to Indian programs in some of the other agencies of Government that administer Indian programs. HUD is an example.

I notice the Senate recently passed a bill that required the establishment of a central office in HUD that would have jurisdiction over all Indian programs in HUD. That is an admirable step. That should be done in some of the other agencies that have not done it.

I think the problem in the other agencies is more than they do not give a sufficiently high priority to Indians as something that the United States has a legal trust responsibility to. They tend to look on Indians as just something that is going to be balanced with other interests, with other minority groups, with ranchers, with coal, with hogs, and so on; and not look on them as something that we have a unique and distinct duty to.

I guess another change which I would like at least to suggest to the committee would be this. I would want to give the Associate Solicitor the authority to recommend litigation directly to the Justice Department. The Associate Solicitor would also have the authority to commence litigation in the name of the United States, if the Justice Department declines to bring litigation he recommends or declines to bring it within a reasonable amount of time.

In my own experience it was relatively rare for the Solicitor to refuse to recommend litigation I would recommend to Justice. He would usually sign on it. Usually the Justice Department would bring it, although there were exceptions. But there were often very long delays, delays of over a year; matters would bounce around in the front office.

It might help the protection of Indian rights—the committee may want to inquire into that—to give the Associate Solicitor direct authority to send litigation requests to Justice and to bring litigation in the name of the United States.

The final item I would like to address myself to is the recommendation of the American Indian Policy Review Commission. It is that the Associate Solicitor be transferred out of the Solicitor's Office into BIA.

I question the wisdom of that recommendation for a couple of reasons.

The first is that the BIA is like any institution; it tends to defend its past decisions. That is not unusual with an institution. But, where you have a past decision that has been contrary to Indian rights, if the Associate Solicitor were part of BIA, his flexibility, his authority to take a pro-Indian position in that situation would be curtailed.

For example, in the Northern Cheyenne coal lease controversy, there was strong support in BIA by the people who had approved the coal leases—I think unlawfully—and by people who were proponents of those people to uphold the validity of the leases. It would have been, I think, impossible for a General Counsel of BIA to have resisted that support.

Similarly, for 20 years, officials of the Bureau of Indian Affairs have been—I think unlawfully—terminating Indians on rancherias in California. Again, that was something that, as Associate Solicitor, I was able to take a fresh legal view of and ultimately persuade the Commissioner to go along with my view. I gather it may be something that the committee wants to inquire into. I gather that the old-line forces are reasserting themselves somewhat of late.

I think, again, you have situations that have happened in the Bureau—as in any institution—where past decisions have been made that were made wrongfully. There is a resistance of that agency or any agency to reexamine them. I think there is an advantage to have the Associate Solicitor be independent of the Bureau to that extent.

I also think there is some advantage within the present structure of Interior—the Solicitor is an immensely powerful political official. I do not mean personally; I do not know about the present Solicitor. I mean that the office is a very powerful one. It interjects itself deeply into the policy, despite disclaimers that it doesn't.

Therefore it is very useful for the cause of Indian rights to have someone who is a top associate of the Solicitor who is able to have input into his policy determinations. I think that would not happen if you transferred the Associate Solicitor to BIA.

I do agree that there are great dangers. You can have situations—we have had situations—where you have an Associate Solicitor who has not been an advocate of Indian rights, where you have an Associate Solicitor who is ineffective or unsympathetic. Then that individual can be a block on effective actions by advocates of Indian rights elsewhere in the Department.

I think it is a fairly close question, but I think that the committee ought to be aware of other views on it.

I suppose that, ultimately, the guarantee for protection of Indian rights is to make sure that both your Associate Solicitor and your Commissioner or Assistant Secretary are powerful and are men of integrity and are powerful Indian advocates in their own right. I think that is important.

Chairman Abourezk. I have come around to the idea—and we will call it "Abourezk's fifth law"—that there is no administration that will ever appoint anybody who is an Indian advocate in those kind of positions. I am talking about the full Solicitor and whoever is going to be in charge of the BIA.

They become BIA advocates and not Indian advocates. I have a suggestion, by the way, for the Indian tribes who are trying to invalidate those leases that were approved by the BIA, like the Navajo leases and the Northern Cheyenne, who were virtually ripped off by the energy companies.

I think that the Indians ought to rename those leases and call them "treaties." They do not have any trouble breaking them now. [Laughter.]

Mr. Chambers. It sounds like a good idea. [Laughter.]

Chairman Abourezk. We can call the old treaties leases. [Laughter.]

Mr. Chambers. Mr. Chairman, I think that concludes my testimony. If you have any questions, I would be pleased to respond, or if I can assist the committee in any way, I would be happy to.

Chairman Abourezk. I am interested in the idea that you just came up with. I was originally under the impression about putting the Solicitor in the BIA, but I see that there may be problems arising from that.

Do you foresee any other problems other than defending old BIA decisions that might arise from putting the Solicitor into the BIA itself and taking him out of Interior?

Mr. CHAMBERS. Other than not having access to the Solicitor and other than the old decisions, I am not so sure. I do not know quite how to put this, but I will try to put it as it occurs to me.

Senator Abourezk, you are probably more familiar with BIA than I am. I was only there 3 years. You have been dealing with it longer than that.

It is one of those odd institutions where the totality is less than the sum of the parts. There are some dedicated and capable people in the Bureau. But it is one of those institutions where they tend to cancel each other out. I am not quite sure why it happens.

I have a fear, and I cannot focus it directly, Senator Abourezk. It is a fear that the staff of the Associate Solicitor—I guess it is self-serving for me to say this—it has been an advocacy office. I think it has done an effective job usually. I think sometimes we have not done everything we should have. I think it has been a positive force for Indian rights.

I have a fear that, by putting it in as a part of the Bureau, there is a danger that it would get canceled out. It certainly can be canceled out in other ways. It can be canceled out by an unsympathetic Solicitor. It can be canceled out by appointing an Associate Solicitor who is not an advocate of Indian rights—although I think the incoming Associate Solicitor will be. He is Tom Fredricks.

You certainly can, and we have all experienced situations where the Associate Solicitor has actually held down progress. I have a feeling that there is a danger, for whatever reason, the office would not be as effective in BIA as it is presently. I guess I cannot focus it any more than that.

Mr. FUNKE. Do you think the problems of blockage, for example, by the Solicitor could be cured by giving independent authority to the Associate Solicitor and also litigation authority?

Mr. CHAMBERS. Yes; I think that is a positive step. I would support that step.

I think if you do it, Mr. Funke, you have to increase the staff of the Solicitor even more. When you are handling cases, that takes more time than some of the other work in the office; and you are working under deadlines.

I think that would help some of it. The real problem I experienced was not so much that they would turn down litigation we would recommend. Usually they would not, although there would be timelags. The real problem was conflict of interest within the Interior Department. I lost more decisions than I won where we were taking on other agencies in the Interior Department. I referred to some of them in my testimony. We could have a whole catalog of horribles: the Central Arizona Project water allocation; some of the problems in water rights litigation in the State of Washington with the Colvilles and the Lummis.

There are also dangers where they will bring litigation you ask them to bring but they will not let you take certain positions you want to take. I guess that really comes up in some of the water rights litigation. That could be cured by having an Associate Solicitor being able to make direct referrals to the Department of Justice and ultimately to bring cases if the referral was turned down.

There is one subtle problem that the committee ought to be aware of. If you expand the power of the Associate Solicitor and say that he becomes a kind of solicitor or at least a deputy solicitor and you say he can refer cases to Justice, then he becomes a kind of assistant attorney general if he can bring cases himself. There is a danger, if you give a man that much power, that there will be stronger forces than exist now to make sure he is not an Indian advocate. The kinds of influences that Senator Abourezk was mentioning over appointment of other high officials may be brought to bear on the appointment. You may lose your Indian advocate. The man may have more power, but the political forces may prevent strong advocates from being appointed to that kind of position. You might not end up with as much.

I think it is an idea that is really worthy of consideration. I certainly would have liked to have it. I can guarantee that.

Mr. FUNKE. Do you think that would be remedied in part by having the Indian Affairs Committee having approval power over that appointment?

Mr. CHAMBERS. It could be, given the present committee chairman, Senator Abourezk. But I would encourage the committee to focus attention on other agencies of Government also. This is partly because of Senator Abourezk's work and others in the Senate and elsewhere, and the determination of Indian leaders to make sure that the Indian Division is an advocacy division.

There have been improvements in the Interior Department over the last 5 or 6 years. There have not been similar improvement in some other agencies of Government.

I am thinking that probably the marginal benefit for making an institutional change in Interior is less than the marginal benefit for making it in other places.

Mr. FUNKE. What type of institutional changes would you recommend—let's say at the Department of Justice and also in OMB?

Mr. CHAMBERS. I think at Justice you need to centralize the authority for Indian cases far more than it has been. I think that the danger at Justice is that the right hand does not know what the left hand is doing often. It is a decentralized agency. So often you have very important policy decisions being made by U.S. attorneys, let's say, that are not even known by the Assistant Attorney General or are not known until it is much too late to deal with them effectively.

I think the Justice Department has not—although there have been improvements there, too. I think the Justice Department has not conceived of its role as a trustee in the same way that, let's say, the Indian Division of the Interior Department has. Some people at Justice have conceived of the role that way, and some of them have been very effective. But it is a matter of the luck of the draw.

Let me give an example. My partner Harry Sachse, I think, was a very effective Indian advocate within the Solicitor General's office. He did not see himself simply as an Indian advocate, but he was a strong and sympathetic supporter of Indian rights. The effect that that had on the kinds of decisions and the kinds of cases that were brought before the Supreme Court, say, in the last 6 or 8 years, was very substantial.

Mr. Sachse is not there any longer. The result of that is that it just depends on what the proclivities and attitudes are of whoever is appointed to his position are. We do not know exactly what those are, but it is a matter of chance. It is not a matter of planning or design.

The Office of Management and Budget has not generally been a supporter of President Nixon's and President Ford's and, I assume, President Carter's policy of self-determination. There are people there who have different views of what the goals of Indian policy ought to be. There has not been direction from top levels of OMB to change those views.

Of course, that is something that is part of the Executive Office of the President. You would expect that that would be most faithful to the President's policies. But I do not think in practice it has been.

I do not mean that they have been just restrictive in terms of the budgets. That is OMB's job. I mean in terms of the policy determinations. There have been a number of times when the policy determinations have been restrictive of the Indian rights. I think that that is largely just a matter of changing the view of the agency and getting people in fairly high positions who are sympathetic to Indian rights.

Mr. FUNKE. To the extent that Justice can be improved through institutional changes as opposed to the luck of the draw: How would you reorganize the Justice Department?

Mr. CHAMBERS. If I were the czar of the Justice Department, I would want to have a separate Indian division. It would be just like an antitrust division or a tax division or something like that. I would want it to have responsibility for the whole gamut of Indian cases. I think the trust responsibility is important enough.

Chairman ABOUREZK. Would that include the criminal as well as other trust cases like criminal prosecutions, as well as taking care of the lands part of it?

Mr. CHAMBERS. It would include criminal cases, tax cases, lands, and natural resources cases, and civil rights cases. Those are the four major areas, and it would include direct line authority over U.S. attorneys and their handling of Indian cases.

If it could not be done as a separate division, one idea that was floating around the Justice Department for some time was having a separate deputy assistant attorney general in one of the present divisions to have that authority. Maybe it would be in the Lands Division; that probably would be the most logical place.

Of course, that kind of approach only works if the person is given a clear charge by the Attorney General, to be an advocate for the Indian trust responsibility and for the trust relationship of the United States. It does not work simply to have it centralized.

There were terrible problems of coordination. I can remember tax cases that the Tax Division would bring. There would be criminal tax prosecutions where the Interior Department believed that taxes were not owing where it was Indian trust land, an assignment of Indian trust land down in North Carolina. The woman was running a motel on the land. The Tax Division was criminally prosecuting her, whereas we believed the taxes were not owing on fruit derived from trust land.

We had a split brief procedure. I am sure, Senator Abourezk, you are familiar with that. The Interior Department could ask the Justice Department to separately state the Indian trust views in a case where it had taken a position for one of the other agencies of Government toward the Internal Revenue Service. We exercised that in this case. The court of appeals reversed the conviction and basically held that you did not have to pay the taxes.

What I mean is that that case never should have been brought, certainly not as a criminal prosecution. But it is brought because the Tax Division did not check with other divisions which would have given it the same opinion. It did not check with the Interior Department. It did not check with other divisions in Justice.

That kind of case could be brought by a U.S. attorney in a criminal matter. Lots of the reservation boundary cases like the *Rosebud* case derive from criminal prosecutions of petty burglaries out on reservations. They are brought by U.S. attorneys. It is not until they reach the Supreme Court, or at least the courts of appeals, that the line divisions in the Justice Department, which really have the expertise on Indian law, find out about it.

So, you can end up with reservations being terminated as a result of ill-advised criminal prosecutions. I think it is serious. I think it is something that the Department of Justice ought to address itself to.

Chairman ABOUREZK. I think those are all the questions we have at this point. I would be interested in hearing more about the Justice Department reorganization that you were just talking about.

I want to thank you very much for an excellent presentation and for your appearance today.

Mr. CHAMBERS. Thank you.

Chairman ABOUREZK. Without objection, we will insert into the record some material prepared for the committee. It is entitled "A Study of Administrative Conflicts of Interest in the Protection of Indian Natural Resources."

[Material follows:]

91st Congress
2d Session

COMMITTEE PRINT

A STUDY OF ADMINISTRATIVE CONFLICTS OF INTEREST IN THE PROTECTION OF INDIAN NATURAL RESOURCES

PREPARED FOR THE

SUBCOMMITTEE ON
ADMINISTRATIVE PRACTICE AND PROCEDURE

OF THE

COMMITTEE ON THE JUDICIARY

OF THE

UNITED STATES SENATE

Printed for the use of the Committee on the Judiciary

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1971

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LETTER OF TRANSMITTAL

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, D.C., December 15, 1970.

Hon. JAMES O. EASTLAND,
*Chairman, Committee on the Judiciary,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: For some months now the Subcommittee on Administrative Practice and Procedure has been looking into the issue of administrative conflicts of interest in the protection of Indian natural resources. It came to my attention that the California Indian Legal Services had sponsored a study that was paralleling ours, and I instructed my staff to cooperate with CILS in the preparation of its study. The final paper, written by Mr. Reid Chambers, brings together full documentation of numerous instances of conflicts of interest within the Federal Government, involving the Departments of Interior and Justice, that have resulted in erosion of the natural resource base of American Indians and, in one case, Alaska Natives. That paper is attached.

President Nixon indicated a concern with this situation in his Indian Message last July, and the Administration prepared legislation (S. 4165) to deal with this problem. Initial hearings on the bill were in September, but it appears that it will be some time before any action will be taken on the proposal. In the interim, the case studies discussed by Mr. Chambers present a strong case for immediate institution of new practices and procedures designed to minimize conflicts and maximize protection of Indian rights and resources. Some of these practices and procedures are outlined in my foreword to the paper.

I am sure that my colleagues on the Judiciary Committee, as well as other members of Congress and persons interested in Indian affairs, will find the Chambers' paper useful, and I ask that it be printed as a Committee print.

Sincerely,

EDWARD M. KENNEDY.

FOREWORD

(By Senator Edward M. Kennedy)

A year ago the publication by the Joint Economic Committee of a paper entitled "Federal Encroachment on Indian Water Rights and the Impairment of Reservation Development"[1] brought to public attention the fact that, in the author's words:

> Conflicting responsibilities, obligations, interests, claims, legal theories—indeed philosophies—oftentimes prevent the Interior and Justice Department administrators, planners, engineers and lawyers from fulfilling the trust obligation (which the Nation owes) to the American Indians in regard to natural resources * * *.

It was clear to me that these conflicts arose in part from the administrative structure within the Interior and Justice Departments that required the same Solictor to advocate, defend, and judge matters where the interests of Indians conflicted with those of other Interior bureaus, and the same Department of Justice Division to prosecute Indian claims against states and third parties while opposing Indian claims against the United States. But they arose also from the lack of procedures and procedural safeguards within the Executive branch of government designed to minimize conflicts and maximize protection of Indian natural resources. I thus felt it appropriate that the Subcommittee on Administrative Practice and Procedure investigate this matter.

During the course of the Subcommittee investigation it came to my attention that a comprehensive paper was being compiled on administrative conflicts of interest by Mr. Reid Chambers, under the auspices of the California Indian Legal Services. Mr. Chambers has graciously consented to the Subcommittee's publication of his paper. The paper, which follows, presents extensive background on the responsibilities of the federal government to American Indians and on the process by which officials and offices of the government find themselves involved in conflict-of-interest situations in carrying out these responsibilities. More importantly, the paper traces example after example of situations in which a conflict of interest, of one sort or another, worked to the detriment of the American Indian. Wherever Indian land and water are involved, past and present conflicts within the Executive branch can be found. The examples Mr. Chambers discusses illustrate clearly an element of the process by which the Indian land base during the past 80 years has been eroded by over 90 million acres.

Last July the President recognized the conflicts of interest involved in the protection of Indian rights. He observed:

> The United States Government acts as a legal trustee for the land and water rights of American Indians. These rights are often of critical economic importance to the Indian people; frequently they are also the subject of extensive legal dispute. In many of these legal confrontations, the Federal government is faced with an inherent conflict of interest. The Secretary of the Interior and the At-

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[1] By William H. Veeder, in *Toward Economic Development for Native American Communities* (Joint Economic Comm., 91st Cong., 1st Sess) p. 460.

page 68 blank.

> torney General must at the same time advance both the national interest in the use of land and water rights and the private interests of Indians in land which the government holds as trustee.
>
> Every trustee has a legal obligation to advance the interests of the beneficiaries of the trust without reservation and with the highest degree of diligence and skill. Under present conditions, it is often difficult for the Department of the Interior and the Department of Justice to fulfill this obligation. No self-respecting law firm would ever allow itself to represent two opposing clients in one dispute; yet the Federal government has frequently found itself in precisely that position. There is considerable evidence that the Indians are the losers when such situations arise. More than that, the credibility of the Federal government is damaged whenever it appears that such a conflict of interest exists.

Congress is presently considering a bill to establish an Indian Trust Counsel Authority, a separate agency which would have the appropriate responsibility and authority fully to protect Indian natural resource interests. Since the Authority would be distinct and separate from the Interior and Justice Departments, conflicts of interest in the representation of Indian interests could not arise. Unfortunately there will undoubtedly be a considerable period of time before this legislation is enacted and the Authority becomes operative. In the interim, it is clear that certain procedures should be established to insure full protection of Indian resources.

The President, under 25 U.S.C. section 9, is specifically authorized to "prescribe such regulations as he may think fit for carrying into effect the various provisions of any act relating to Indian affairs, and for the settlement of the accounts of Indian affairs." Section 2, U.S. Code, invests the Commissioner of Indian Affairs—"under the direction of the Secretary of the Interior, and agreeably to such regulations as the President may prescribe"—with the "management of all Indian affairs and of all matters arising out of Indian relations." It thus seems clear that there exists ample authority for instituting, effective immediately, the following practices and procedures:

> *First*, every agency of government taking action affecting Indian rights or claims should give complete and timely notice to the tribe and to the BIA before such action is taken. This should apply especially to the administrative stages of any action.
>
> *Second*, Indian tribes or their representatives should be given full opportunity to participate in any decisions affecting them, including the formulation of policies and rules, as well as adjudications.
>
> *Third*, in both administrative and judicial proceedings, Indians should be assured competent, independent counsel. To the extent that a tribe cannot afford counsel, the Government should undertake to finance representation.
>
> *Finally*, in cases free of conflicting governmental interests, the Government should fulfill its responsibilities under federal law to represent Indian tribes. And this representation should be under the direction of the client, not of the government.

These steps may not provide a complete answer to the problem of conflicting interests in the protection of Indian rights. They should go a long way toward alleviating the impact of such conflicts. Failures by the Government to discharge its trust responsibilities without compromising Indian rights should not be tolerated. Where conflicts occur, as the paper which follows illustrates, the Indian is always the loser.

VI

DISCHARGE OF THE FEDERAL TRUST RESPONSIBILITY TO ENFORCE CLAIMS OF INDIAN TRIBES: CASE STUDIES OF BUREAUCRATIC CONFLICT OF INTEREST

(By Reid Peyton Chambers*)

> No servant can serve two masters; for either he will hate the one and love the other; or else he will hold to the one, and despise the other.—Luke 16:13

The United States stands in a fiduciary relationship to Indians and Indian tribes. It has been held by the Supreme Court that "Indian tribes are the wards of the nation."[1] The duty is a "self-imposed" one which arises out of the Indian tribes' status as "dependent domestic nations" within the territory of the United States. The classic discussion of the Government's fiduciary duty to Indian tribes is found in Chief Justice Marshall's landmark decision of *Cherokee Nation* v. *Georgia*, 30 U.S. (5 Pet.) 1, 17 (1831). In holding that Indian tribes are not "foreign states" entitled to invoke the original jurisdiction of the Supreme Court, the Chief Justice stated that "the condition of the Indians in relation to the United States is perhaps unlike that of any other two people in existence."

Later Supreme Court decisions have reaffirmed the special guardianship of the Federal Government for Indians. In *United States* v. *Kagama*, 118 U.S. 375 (1886), the Court analyzed the fiduciary duty as growing out of an "exclusive sovereignty * * * which must exist in the National Government" and the fact that Indian tribes are "communities *dependent* on the United States." (Emphasis in original.) Accord: *United States* v. *Sandoval*, 231 U.S. 28, 45–46 (1913). Most recently, in *Seminole* v. *United States*, 316 U.S. 286, 296–97 (1942), the Supreme Court held that the United States "has charged itself with moral obligations of the highest responsibility and trust." This guardianship was referred to as in part "a humane and self-imposed policy."

The existence of this trust relationship was recently reaffirmed by President Nixon. In a message to Congress on July 8, 1970, he emphasized that:

> The United States Government acts as a legal trustee for the land and water rights of American Indians. These rights are often of critical economic importance to the Indian people; frequently they are also the subject of extensive legal dispute.

The President noted that many legal disputes concerning the extent of the Indians' land and water rights are between them and agencies of the federal government, their trustee. Such instances involve conflicts of interest, as it is impossible for the government vigorously to provide legal representation to the Indians and, at the same time, effectively pursue its own designs and policies with respect to land and water also claimed by the Indians.

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*This paper was prepared for California Indian Legal Services (CILS). The author is an acting professor of law, University of California at Los Angeles. He is grateful to CILS, and to all individuals who have generously contributed ideas and information, and is particularly indebted to Richmond F. Allan, Esq., David H. Getches, Esq., Robert S. Pelcyger, Esq., Browning Pipestem, Esq., Professor Monroe E. Price, Daniel M. Rosenfelt, Esq., Lee J. Sclar, Esq., Thomas Susman, Esq., Henry B. Taliaferro, Esq., William H. Veeder, Esq., and I. S. Weissbordt, Esq.

[1] *United States v. Kagama*, 118 U.S. 381 (1886). In *Cherokee Nation* v. *Georgia*, 30 U.S. (5 Pet.) 1, 17 (1831), Chief Justice Marshall stated that the relationship between Indians and the United States "resembles that of a ward to his guardian." *United States v. Payne*, 264 U.S. 446, 448 (1924); *Choctaw Nation v. United States*, 119 U.S. 1, 27–28 (1886). See also *Creek Nation* v. *United States*, 295 U.S. 103, 109–10 (1935).

In order to remove the conflict of interest, the President proposed creation of a new entity, independent of the executive branch, to provide legal representation to Indians. Legislation to establish this entity—the Indian Trust Counsel Authority—was sent to Congress on July 31, 1970. As proposed, the Trust Counsel Authority would be controlled by a three member Board of Directors, appointed by the President with the advice and consent of the Senate. The Board of Directors, in turn, would appoint the Indian Trust Counsel as the chief legal officer.

The purpose of this paper is to examine several situations where a conflict has arisen between Indian trust rights and conflicting federal claims. The situations described herein have all arisen within the past three years, although in some cases the conflict of interest has deeper historical antecedents. Since the trust responsibility to the Indians is primarily reposed in the Department of the Interior, the conflict of interest is most direct when the agency with an interest adverse to the Indians is a bureau located within the Interior Department. Therefore, conflicts between either the Bureau of Land Management or Bureau of Reclamation—both Interior agencies—and Indian rights have been selected for most of the cases analyzed.

In analyzing the conflict of interest between government agencies and the Indians, it is imperative to perceive that the federal government as trustee is charged with the protection of what are essentially *private property rights*. As trustee for private rights, the government does not act in its usual political capacity, but is charged with the same general obligations as are imposed on private trustees.[2]

Indeed, the Court of Claims recently held that the United States should be held to "the most exacting fiduciary standards" with respect to Indians, whatever its other goals and preferences.[3] The same principle was announced by the Supreme Court in *Seminole Nation v. United States*, 316 U.S. 286, 297 (1942). Just as a private trustee, the United States has a duty of undivided loyalty, which has been called the "most fundamental" duty owed to the beneficiary by his trustee or a ward by his guardian.[4] Another important duty is the obligation to preserve and protect the trust property, which includes taking all reasonable steps to enforce the beneficiary's legal claims relating to the property.[5] And just as a conflict between the private trustee's fiduciary duty of loyalty and his own personal interests would be intolerable if it interfered with performance of his trust responsibility, a conflict between the rights of Indian beneficiaries and the public purposes embodied in federal programs with adverse interests must not impede the effective discharge of the

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[2] In *Menominee Tribe of Indians v. United States*, 101 Ct. Cls. 10, 18–19 (1944), it was held that a special jurisdictional act providing that "the court shall apply as respects the United States the same principles of law as would be applied to an ordinary fiduciary, add[s] little to the settled doctrine that the United States, as regards its dealings with the property of the Indians, is a trustee." In *Menominee Tribe*, the government was barred from borrowing funds from the Indians without paying a normal rate of interest, and from making expenditures with high-interest funds before exhausting low interest accounts. In *Sioux Tribe v. United States*, 105 Ct. Cls. 725 (1946), the court held that the government has a standard fiduciary duty to make a proper accounting to its beneficiary.

[3] *Navajo Tribe of Indians v. United States*, 364, F. 2d 320, 322 (Ct. Cls. 1966.) Compare *Menominee Tribe of Indians v. United States*, 102 Ct. Cls. 555 (1945).

[4] Scott, *Trusts*, p. 1297 and § 170-17.

[5] *Id.*, § § 176-177.

United States' fiduciary obligation to protect private Indian property rights.

This "conflict" then, is not one which properly can be resolved through the process of balancing conflicting interests. Such a balancing procedure within the executive department is desirable where competing *public* policies are being balanced; this, of course, is the method by which public policy is formulated. But private rights, which the United States is obligated as a fiduciary to defend, cannot be so balanced against conflicting public purposes. The government's relationship to the Indians is, in this respect, unique in character.

On the one extreme, the prohibition against the United States, as trustee, having an interest adverse to his beneficiary could conceivably be resolved by holding that wherever a public purpose conflicts with Indian trust rights, the latter shall always prevail. Such an absolute frustration of competing public policies would clearly be intolerable for several reasons. Most importantly, the formulation of public policy must retain more flexibility than would be permitted by such an iron-clad rule. As will be seen, Indian property rights are sometimes difficult to define and raise complex legal and factual questions. Moreover, a private trustee faced with a conflict between a fiduciary duty and a critical personal interest could resign, whereas the federal trust obligations cannot be ended without an Act of Congress. What can be demanded at a minimum is that Indians' claims be asserted by an advocate with undivided loyalty.

The opposite extreme would be a rule requiring the Indian interest to yield to conflicting public purposes. In the past this extreme—while by no means a fast rule of administrative practice—aptly describes the result of most, although not all,[6] cases where a conflict of interest has arisen in the discharge of the federal trust responsibility. In part, this consequence may derive from entrusting primary responsibility for administering the trust obligations to Indians to the Secretary of the Interior and, within the Interior Department, to the Bureau of Indian Affairs.[7] The Department of the Interior's major responsibility is the management and conservation of *public* property and resources;[8] its bias, therefore, would be against conflicting private property rights.

The Indian Trust Counsel proposal now pending before Congress represents a departure from either of these extremes. Without pledging that private Indian interests should prevail whenever they conflict with public purposes, the proposal represents an institutional rearrangement in which private rights can be advanced with undivided loyalty. Since the proposed bill waives the sovereign immunity of the United States in connection with actions commenced by the Trust Counsel, it favors resolution of conflict situations by the judicial branch rather than by executive fiat. As stated, this is the very least to which the Government's Indian wards are entitled—to have their cases advocated and adjudicated by officials and tribunals free of divided loyalties.

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[6] While the case studies described below are ones where the Indian interests appear to have been compromised, this is, of course, not always the resolution when conflict arises. For example, in January 1969, the Solicitor determined that the south boundary of the Salt River Indian Reservation in Arizona had been erroneously determined by the Bureau of Land Management to be the north, rather than the south, channel of the Salt River. Memorandum, Solicitor Edward Weinberg to Secretary of the Interior, M-36770, January 17, 1969. Similarly, the Solicitor determined in 1966 that the boundaries of the Yakima Indian Reservation had been erroneously surveyed and portions of the land that should have been included in the reservation administered by the BLM, should be returned to the Tribe. Memorandum, Associate Solicitor for Indian Affairs to Assistant Secretary for Public Land Management, June 21, 1967, "Restoration to Yakima Tribe of Lands Omitted from Survey."

[7] 5 U.S.C. §§ 22, 481, 485' 25 U.S.C. §§ 1, 1A, 2.

[8] Its duties include administration of public lands, mines, territories and possessions, fish and wildlife, national parks, and petroleum conservation.

The Nature of Legal Conflicts of Interest

In legal representation, there are three basic conflict-of-interest situations. The first is where the attorney himself has a personal interest in property claimed by his client. It is obvious that an attorney will not zealously advocate his client's interests if he must sue himself, a corporation in which he has a substantial financial stake, or his employer. Such representation has repeatedly been declared to be unethical.[9]

Similarly, an attorney cannot effectively represent a client whose claimed rights conflict with those of another client.[10] An attorney "should resolve all doubts against the propriety of" representing multiple clients.[11] The multiple client problem, where a federal agency has a claim to property adverse to Indian claimants, is the most common conflict in federal representation of Indians.[12]

A third conflict of interest is that political influence may intercede between the lawyer and his clients. A conflict may thereby be created between the attorney's duty to his client and his dependence on third persons—here, chiefly higher officials in the Departments of Justice and Interior and members of Congress. Canon 35 of the American Bar Association, *Canons of Professional Ethics*, would seem to be violated by the present structure by which federal legal representation is provided to the Indians. It reads (in part):

> The professional services of a lawyer should not be controlled or exploited by any lay agency, personal or corporate, which intervenes between client and lawyer. A lawyer's responsibilities and qualifications are individual . . . . A lawyer's relation to his client should be personal, and the responsibility should be direct to the client.

The American Bar Association *Code of Professional Responsibility* similarly bars political influence exerted upon an attorney-client relationship.[13] Ethical Consideration 5–23 declares that:

> Since a lawyer must always be free to exercise his professional judgment without regard to the interests or motives of a third person, the lawyer who is

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[9] *E.g.* American Bar Association, Committee on Ethics, Informal Opinion No. 967 (1966). In *United States v. Anonymous*, 215 F. Supp. 111, 113 (E.D. Tenn. 1963), the Court stated: "Attorneys must not allow their private interests to conflict with those of their clients . . . . They owe their entire devotion to the interests of their clients."

Disciplinary Rule 5-101, (American Bar Association) *Code of Professional Responsibility* provides "Except with the consent of his client after full disclosure, a lawyer shall not accept employment if the exercise of his professional judgment on behalf of his client will be or reasonably may be affected by his own financial, business, property, or personal interests."

[10] For example, an attorney for an insurance company was engaged in representing X, a motorist insured by the company, in a suit against Y following an automobile accident involving X and Y. In this litigation, the attorney was contending before the court that Y had been negligent and X had not been negligent. Due to the length of the court proceeding, and the size of his out-of-pocket expenses in connection with his injuries, X requested an arbitration proceeding under the terms of the policy where, if successful, X could require prepayment of certain benefits. To resist prepayment, the company must show that X was negligent in the accident. It was held that the same attorney could not represent both X in court, and his company in the arbitration proceeding, even if both X and the company consented. Informal Opinion No. 977 (1967).

[11] Ethical Consideration 5-15, American Bar Association, *Code of Professional Responsibility*.

[12] The federal conflict-of-interest laws protect the Government against any such conflicting interest held by its employees. These laws, butressed by criminal sanctions against violators, prohibit any federal employee from representing a private party before a court or agency in a matter where the United States has an interest. 18 U.S.C. §§ 203, 205. This prohibition survives for a period of time after a person leaves government employment with respect to matters in which he actively participated while with the government and matters under his official supervision. 18 U.S.C. § 207 (a),(b).

[13] Ethical Consideration 5-21 reads in part: "The obligation of a lawyer to exercise professional judgment solely on behalf of his client requires that he disregard the desires of others that might impair his free judgment. The desires of a third person will seldom adversely affect a lawyer unless that person is in a position to exert strong economic political or social pressures upon the lawyer."

employed by one to represent another must constantly guard against erosion of his professional freedom.

While political influence may properly focus upon government attorneys who are charged with implementing public policies, it cannot be justified in the case of attorneys employed in the discharge of a federal trust responsibility to protect private rights.

The case studies which follow demonstrate that all of the three types of prohibited conflicts of interest exist in the federal representation of the Indians. Additionally, they indicate that—where a conflict of interest of the "multiple client" type exists, and a federal agency is claiming trust property in which the Indians claim an interest—no government attorney is at present charged with single-mindedly advancing the Indians' claim. The Solicitor's office, in evident violation of professional ethical standards, generally "represents" *both* the Indians and the agency involved. Moreover, the controversy is usually *resolved* in that office itself: the Solicitor issues an "opinion" which, far from resembling an opinion letter from a private attorney to his client, constitutes an adjudication of the dispute for all practical purposes. No government attorney will "appeal" the opinion to a court or higher administrative authority; it is accepted as a statement of the law.[14]

CASE STUDIES OF CONFLICTS OF INTEREST

A. THE "MULTIPLE CLIENT" PROBLEM

1. *Lease of Colorado Riverfront Property, Claimed by Quechan Tribe, by the Bureau of Land Management*

The Bureau of Land Management (BLM) administers the public lands of the United States. Not infrequently the BLM sells or leases lands lands claimed by the Indians or Indian tribes.

The Colorado River serves as a boundary for a number of Indian reservations along its banks. Riverfront property in many areas is especially valuable for recreational purposes. In April 1967, Interior's Program Support Staff recommended that Secretary Udall approve a lease of lands to Yuma County for an airport and park facilities.[15] These lands, which border the Colorado River, were claimed by the Quechan Tribe to be part of their Fort Yuma Reservation.

The conflicting claims of the tribe and the BLM were presented to the Department of Interior's Solicitor for his "opinion." The Solicitor reasoned that the Quechans possess a beneficial interest only in the irrigable lands within the reservation, but that Indian title to non-irrigable reservation lands had been ceded by an agreement of December 3, 1893, ratified by an act of Congress in 1894.[16] The Solicitor then determined that the proposed lease was legally unobjectionable so long as one irrigable parcel of land was excluded from it.[17]

In rendering this "opinion", the Solicitor was in reality arbitrating a dispute among various of his "clients." The Indian tribe and the

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[14] Mediation of disputed interests of two clients by an attorney is permissible only *if* (1) both clients affirmatively request it and (2) the attorney desists from further representation of either client on the matter involved. American Bar Association, *Code of Professional Responsibility*, Ethical Consideration 5-20; H. Drinker, *Legal Ethics* 112.

[15] Memorandum, "Lease of Lands to Yuma County," Acting Director Program Support Staff to Secretary of the Interior, April 20, 1967.

[16] Act of August 15, 1894, 28 Stat. 332 (1894).

[17] Opinion of June 12, 1968, Status of Land in T.16 S.R.22 and 23 E., SBM Proposal for Lease to Yuma County, Arizona.

BIA, on the one hand, resisted the lease; other Bureaus within the Department supported it. Clearly, the Solicitor could not provide complete legal representation to the competing interests. Rather than acting as an advocate, he functioned as an umpire and fashioned a "compromise" solution. Moreover, the critical technical determination as to which lands were irrigable and which were nonirrigable was made by the Bureau of Reclamation, one of the Bureaus which *favored* the lease.[18]

In sustaining the legality of the lease, the Solicitor held the 1893 Agreement, on which the 1894 statute was based, to be valid. This determination rejects certain claims of the Quechan Indians that the Agreement was an utter nullity because it was obtained by fraud, duress, and even forgery—arguments the Indians could expect an uncompromised advocate to advance in a judicial or administrative proceeding.

In 1893 Congress granted a right-of-way to an irrigation company to construct a canal over lands on the Yuma Indian Reservation.[19] Three commissioners were appointed to negotiate with the Indians and obtain their consent to the right-of-way. The tribal members could not read, write, or understand English, and an Indian interpreter who was not a member of the tribe was engaged by the commissioners. An "agreement" was concluded, by which the Quechans granted not only the canal right-of-way, but also forfeited *all* reservation lands in return for allotments once the canal was constructed. Evidence introduced before the Indian Claims Commission[20] indicates that the interpreter and commissioners forced some Indians to sign document, forged other signatures, and failed to explain that the agreement would have the effect of ceding the entirety of the reservation.[21] Moreover, eight tribal members opposed to the agreement were imprisoned in Los Angeles at the time it was signed; some of these dissidents were whipped and one died in prison.[22]

The agreement was ratified by an Act of Congress in 1894, but significant portions of the act were never carried out. The Act specifically provided that unless the company began construction of the canal "within three years from the date of the passage of this Act, . . . the rights granted by the Act aforesaid shall be forfeited."[23] The canal was not constructed within that time period. Instead, an irrigation project over reservation lands was finally constructed over a decade later pursuant to the Reclamation Act of 1902 then in effect and an appropriation bill enacted in 1904.[24] This legislation was far less advantageous to the Quechans than the 1893 agreement, for the entire cost of the irrigation project was to be borne by them, and the land was to be sold at its value prior to reclamation, rather than by auction at market value as provided in the 1894 act. Allotments were not made until 1912, nearly twenty years after the 1893 agreement.[25]

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[18] *Id.* at p. 2.

[19] Act of February 15, 1893, 27 Stat. 436 (1893).

[20] Prior to the leasing dispute discussed above, the Quechans filed a claim against the United States asserting the liability of the government for the loss of use of a considerable amount of their land. *The Quechan Tribe of the Ft. Yuma Reservation v. United States*, Ind. Cl. Com. Docket No. 320.

[21] Indeed, the agreement and congressional enactment following it have never been interpreted as extinguishing the Quechan's beneficial interest in irrigable lands which have not been disposed of under the reclamation laws of the United States.

[22] Memorandum, William H. Veeder to W. Wade Head, Area Director, Phoenix, Arizona, April 15, 1970, "Title of the Quechan Tribe in the Yuma Indian Reservation."

[23] 28 Stat. 286, 336 *et seq.*

[24] 33 Stat. 189 at 224 (1904).

[25] Veeder memorandum, *supra*, note 23, at pp. 23-24.

Clearly, an argument can be made—and would be advanced by an uncompromised advocate of the Quechans—that the 1893 agreement was void ab initio, and that even if the agreement were valid, the cession of Quechan lands contained in it and in the 1894 Act was revoked by the company's failure to commence construction of the canal within three years. The area continued to be administered as an Indian reservation after the 1894 Act,[26] and the 1904 Act recognized that the Indians maintained a beneficial interest in irrigable lands (the only lands the 1904 Act covered) not sold to settlers. If the 1893 Agreement and 1894 Act had really ceded all reservation land, no such beneficial interest could have continued. The issue, of course, is not whether these arguments would ultimately be sustained: the crucial point is that they were never articulated by the Solicitor.

2. The Use of Big Horn River water by the Bureau of Reclamation

The Bureau of Reclamation is the other agency within the Interior Department which most often has claims which conflict with Indian trust property rights. The federal reclamation program, originally limited to the construction of irrigation works for both public and private users, has expanded over the past seventy years to provide water for power, municipal, commercial, and industrial users.[27] Reclamation projects may store and sell surplus waters, and may advance such objectives as navigation flood control.[28]

Frequently, these projects seek to use water to which Indians and Indian tribes have a claim under the "Winters Doctrine." First set forth in *Winters* v. *United States*, 207 U.S. 564 (1908), this doctrine is that when the Indians ceded lands to the federal government, they impliedly retained rights to sufficient water to serve the present and future needs,[29] of those lands which they retained.[30]

There are a number of unresolved general issues concerning *Winters* doctrine rights. While it seems that the Indians can use their water for any purpose for which their reservation was created,[31] it is not clear how far they may depart from the initial agricultural use served by irrigation.[32] Moreover, the measure of the *Winters* doctrine right may be exceedingly complex, involving a present estimate of future beneficial needs. It seems obvious that the Indians require an advocate who will press those claims to the fullest extent possible. In a number of instances, the Interior and Justice Departments have desisted from doing so, in large measure because of the conflicting policy of the Bureau of Reclamation to appropriate as much water as possible for the reclamation projects. Reclamation projects, in fact, cannot be authorized under present procedures unless found feasible from a financial standpoint. A finding of feasibility requires that the estimated cost of proposed construction which can properly be allocated to irrigation, power, municipal, and miscellaneous purposes be repaid to the United States from the sale of water and power to private users.[33]

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[26] This was recognized in an earlier opinion by the Solicitor, January 8, 1936, M-28198, pp. 10-11.

[27] Irrigation is the paramount use for reclamation waters. 43 U.S.C. §§ 485h, 521-522. It was not until 1920 that Congress generally authorized the disposition of project water for uses other than irrigation. Act of February 25, 1920, ch. 86, 41 Stat. 451, 43 U.S.C. § 521. But as early as 1906 the Secretary was authorized to supply water and power to "towns or cities on or in the immediate vicinity of irrigation projects." Act of April 16, 1906, ch. 1631, 34 Stat. 116-17 43 U.S.C. §§ 522, 567.

[28] J. Sax, "Federal Reclamation Law," *Water and Water Rights*, p. 121.

[29] *United States* v. *Ahtanum Irrigation District*, 236 F. 2d 321, 326 (9th Cir. 1956); *Conrad Investment Company* v. *United States*, 161 Fed. 829 (9th Cir. 1908).

[30] See generally Veeder, *Winters Doctrine Rights; Keystone of National Programs for Western Land and Water Conservation and Utilization*, 26 Montana L. Rev. 149 (1965).

[31] "The Master ruled that the principle underlying the reservation of water rights for Indian Reservations was equally applicable to other federal establishments such as National Recreation Areas and National Forests. We agree with the conclusions of the Master that the United States intended to reserve water sufficient for the future requirements of the Lake Mead National Recreation Area, the Havasu Lake National Wildlife Refuge, the Imperial National Wildlife Refuge and the Gila National Forest." *Arizona* v. *California*, 373 U.S. 546, 601 (1963).

[32] In *United States* v. *Walker River Irrigation District*, 104 F. 2d 334, 340 (1939), the Court of Appeals for the Ninth Circuit held that a *Winters* doctrine right could be used for irrigation, power, and domestic and stock-watering purposes.

Another point of contention between the reclamation projects and Indian *Winters* rights claims is that—while the *Winters* doctrine extends to water needed for present and *future* use, the Bureau of Reclamation seems to plan projects where water sufficient to sustain the project is not *currently* being appropriated, irrespective of whether an Indian claim of future beneficial need might be asserted. (This problem appears in the Rio Grande and Kennewick Dam case studies, *infra.*)

The Bureau of Reclamation constructed Yellowtail Dam on the Big Horn River in the late 1950's, on the Crow Indian Reservation in Montana. Lands belonging to the Crow Tribe and the right to use water owned by the tribe for power generation were condemned for this purpose.[34] Without legal opposition from within the government, the Bureau of Reclamation is currently selling waters from the Big Horn River to industrial users. These sales may be in violation of the tribe's *Winters* rights,[35] which have never been inventoried or established.

In November 1967, the Field Solicitor's Office in Billings, Montana, issued a memorandum sustaining the legality of the Reclamation diversions.[36] The Field Solicitor proposed a restrictive interpretation of the *Winters* case, which would limit the rights conferred by the doctrine to uses in agricultural production. Since the Crow Tribe is primarily desirous of developing coal deposits on the reservation—estimated at up to one billion tons—the Field Solicitor's opinion would deny them the right to use Big Horn water in preference to Reclamation for this purpose. The Field Solicitor adopted this position while admitting that "it has not been decided whether the use of Winter's [sic] Decree water may be changed from irrigation to industrial use."[37] Moreover, the Field Solicitor argued that since the Bureau had condemned the power site for Yellowtail Dam, it could urge that it had condemned the entire *Winters* doctrine rights of the tribe to the river, since the value of the power site would be diminished by tribal diversions. No opinion could be more damaging to the interests of the Solicitor's Indian clients. Surely any committed advocate would be expected to urge on their behalf that, since the condemnation case explicitly compensated the tribe for the use of water for power generation, all other water rights remained intact and the power site value was merely paid for the taking of land. In this instance, the Field Solicitor chose solely to serve one of his "clients," to the inevitable detriment of the interests of the Indians.

The problem is a continuing one. In January 1968, the Commissioners of the BIA and Bureau of Reclamation met, and it was agreed that the Crow Tribe would receive 110,000 acre feet annually of Big Horn water. This agreement was based on assurance contained in a study that this was all the water which could be made available to the

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[33] Compare Act of August 4, 1939, ch. 418, § 9(a), 53 Stat. 1193, 43 U.S.C. § 485h(a).

[34] *United States v. 5677.94 Acres of Land*, 162 F. Supp. 108 (D. Mont. 1958).

[35] *United States v. Powers*, 93 F. 2d 783, 785 (9th Cir. 1938) *aff'd* 305 U.S. 527 (1939).

[36] Memorandum from Field Solicitor to Regional Director, Reclamation, "Diversion of water of Bighorn River under terms of Yellowstone River Compact," November 16, 1967.

[37] The Field Solicitor likewise took the position that Winters doctrine rights were non-transferable unless the Indian land were also sold, while admitting that this question has never been resolved by a court.

Indians.[38] A year later, at the 1969 Reclamation Conference, the Commissioner of the Bureau of Reclamation and the Billings Regional Director reportedly indicated that about 750,000 acre feet of water would be available from Yellowtail Reservoir for industrial purposes—two-and-one-half times the amount projected in the study preceding the 1958 agreement. It was stated that much of this water had been contracted for and that the sale of industrial water alone would repay the cost of constructing Yellowtail Reservoir earlier than planned. A persuasive argument can be made that the tribe is entitled to sufficient water to meet all of its beneficial needs, including industrial uses, or that it is entitled to compensation for the loss of water rights not covered by the condemnation of the Yellowtail power site. But since this would obviously involve a payment by the government, this claim has not been pressed by the Indians' trustee.[39]

3. *Pyramid Lake*

Pyramid Lake has often been cited as the prime example of a long-continuing conflict-of-interest between an Indian tribe and the Bureau of Reclamation.[40] The Pyramid Lake Paiute reservation was established in 1859; it essentially forms a circle around the lake, which is the terminus of the Truckee River in Nevada. Historically, the Paiute tribe, for whom the reservation was established, had been a fishing people, and the lake's fishery was the chief source of sustenance for the reservation.[41]

Reclamation's incursions into the water used to supply the lake began shortly after the passage of the Reclamation Act of 1902. In 1906 the Newlands Irrigation Project was established on the nearby Carson River which constructed a dam and canal to divert water from the Truckee.[42] The canal steadily depleted the water supply of Pyramid Lake, reducing its level and ultimately destroying its natural fishery.

After the canal was constructed, the United States initiated quiet title actions to adjudicate the rights of water users along the Carson and Truckee Rivers. A temporary decree was entered in 1950 in *United States* v. *Alpine Land and Reservoir Co.*, Equity No. D-183 (D. Nev.), adjudicating the respective rights of the Newlands project and private users to Carson River water. A final decree along the Truckee, the *Orr Water Ditch* decree, was entered in 1944.[43] Although the *Winters* doctrine was established when these cases were brought, the Indians' federal fiduciary did not assert their *Winters* doctrine rights for water to stock Pyramid Lake and protect the dying fishery.[44] The United States did, however, assert and secure a water right for the Newlands project to divert Truckee water.[45] Between 1917 and 1967 the average annual diversion of Truckee River water for the Newlands project has been 250,000 acre feet—*half* the average annual flow of the Truckee River.

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[38] Memorandum, March 22, 1968, Commissioners of Bureau of Reclamation and BIA to Assistant Secretaries Public Land Management and Water and Power Development, "Sale of M & I water from Yellowtail Unit, Missouri River Basin Project, Montana-Wyoming."

[39] Conflicts between the Bureau of Reclamation and Interior's Indian wards in the Missouri River Basin are by no means limited to the Big Horn River. In a memorandum of March 14, 1967, to the BIA's Aberdeen Area Director, the Director of the BIA's Missouri River Basin Investigation claimed that upstream developments of the Agnostura Rapid City and (projected) Belle Fourche projects by the Bureau of Reclamation had depleted the flow of the Cheyenne River, leaving a barren several thousand acres of potentially irrigable bottom land and higher benches on the Cheyenne Indian Reservation. The Director quoted the Bureau of Reclamation's own Cheyenne Diversion Report to substantiate his charge: "A reconnaissance-grade reappraisal of the Cheyenne Pumping Units was made in 1958, with the conclusion that further consideration was unwarranted mainly because of the doubtful water supply. . . . No appreciable further development of either land or water resources may be expected in the Cheyenne River Basin. Five Bureau of Reclamation reservoirs, taking advantage of all the more attractive sites, effectively control most of the runoff."

[40] The principal study of the federal conflict of interest, William H. Veeder "Federal Encroachment on Indian Water Rights and the Impairment of Reservation Development," in "Toward Economic Development for Native American Communities," Subcommittee on Economy in Government of the Joint Economic Committee, Congress, 91st Congress, 1st Sess. (Comm. Print 1969) (hereafter cited as "Veeder Committee Print") devotes major attention to Pyramid Lake.

[41] *United States v. Sturgeon*, 27 Fed. Cas. 1357 (No. 16, 413) (D. Nev. 1879), *aff'd*, 27 Fed. Cas. 1358; Veeder Committee Print, pp. 498-99.

[42] Veeder Committee Print, pp. 499-500. The Carson River runs south of, and generally parallel to, the Truckee.

[43] *United States v. Orr Water Ditch Co.*, Equity No. A-3 (D. Nev.).

In recent years, the government has been derelict in representation of the Pyramid Lake Indians in the following respects:

(a) The *Orr Water Ditch* decree did rule that the Indians were entitled to 30,000 acre feet per annum for irrigation purposes. When the tribe sought instead to use this water to raise the lake's level, thereby improving the fishery resource, the Solicitor of the Interior Department in 1955 issued an opinion that this was unlawful [46]—hardly an act of zealous advocacy on behalf of the Indians. The tribe then sought to have the government modify the decree to permit such a use. In 1964 the Interior Department requested Justice to petition the court to amend the decree, but no action was ever taken.

(b) In 1957 Congress authorized construction of the Washoe Project by the Bureau of Reclamation.[47] This project has two principal components: (1) Stampede Dam on the upper Truckee River, and (2) Watasheamu Dam and Reservoir on the Carson River, upstream from the canal and Newlands project. The major threat posed by this project to Pyramid Lake is the construction and authorization of Watasheamu Dam and Reservoir. If operated for the benefit of upstream Carson users, it would have the certain affect of depriving the downstream Newlands project of Carson River water and increasing its demand upon Truckee River water.

The possibility that Watasheamu Dam and Reservoir might be constructed impelled upstream Carson water users to press for a settlement in the *Alpine* case (Carson River) more favorable to them than the 1950 temporary decree. Their hope was, in part, that enough water could be reserved for upstream users to make the construction of Watasheamu Dam feasible. Negotiations by Justice Department attorneys looking toward a more lenient settlement than the temporary decree aroused suspicions by the Indians that the Bureau of Reclamation was influencing the Justice Department negotiations. In addition, enforcement of the temporary decree by a court-appointed water master has in many respects permitted use of water by private parties not sanctioned by the decree. The Indians, therefore, sought to intervene in the *Alpine* case to require strict enforcement of the decree and to participate in any settlement so as to protect their existing use of Truckee water, which could otherwise be diverted to serve the Newlands project if the project's rights to use of Carson water were curtailed. The tribe charged that the Department of Justice had not adequately represented their interests.[48] The motion to intervene was opposed by Justice and denied by the District Court and the Court of Appeals for the Ninth Circuit.[49]

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[44] After the case was begun, but long before a final decree was entered in it, the Supreme Court conclusively established the right of an executive-order reservation to protect and conserve its fishing rights. *Alaska Pacific Fisheries v. United States*, 248 U.S. 78 (1918).

[45] A 1968 report by Clyde-Criddle-Woodward Inc. of Salt Lake City, "Report of Lower Truckee-Carson River Hydrology Studies" concludes that there is substantial waste in this water use and that only half the diverted amount is beneficially used by the project. Such waste is a violation of the reclamation laws which limit water to beneficial uses.

[46] Memorandum, Associate Solicitor, Indian Affairs to Commissioner of Indian Affairs, May 5, 1955, M36282.

[47] Act of August 1, 1957, ch. 809, § 2 (a) 70 Stat. 775, 43 U.S.C. § 614a (a).

[48] Veeder Committee Print, pp. 507–508.

(c) In April 1969, the Interior Department recommended that the Department of Justice institute a quiet title action on the Truckee River on behalf of the tribe, limited to waters not already adjudicated in the *Orr Water Ditch* case. No such action has been commenced since that request was made. Unable to receive a response from the government, the tribe finally filed suit in the Federal District Court for the District of Columbia against the Secretary of the Interior and Attorney General.[50] The relief sought includes an injunction compelling the Secretary to recognize the prior and paramount right of the tribe to Truckee River water to maintain the lake's fishery. The tribe also requested a court order that the defendants enforce both the *Orr Water Ditch* and *Alpine* decrees, and an order requiring the Attorney General to seek a judicial determination of the tribe's water rights.

4. *Water Right Litigation Concerning Tributaries to the Rio Grande River*

While the American Bar Association's Code of Professional Responsibility permits representation of potentially conflicting clients where litigation is not involved, it clearly enjoins an attorney from any representation of clients with differing interests in litigation.[51] The wisdom of this absolute prohibition is demonstrated by the difficulties in which the Department of Justice has become enmeshed while conducting water rights litigation on behalf of Indian pueblos in New Mexico. In a real, albeit indirect, sense, the government may be said to be representing "both the plaintiff and defendants in an adversary action." [52]

The State of New Mexico has commenced five suits seeking to administer water to be diverted into the Rio Grande from the Colorado River system by the San Juan-Chama Reclamation Project.[53] The State Engineer of New Mexico is authorized to administer the Bureau of Reclamation's project in certain respects. Accordingly, the State Engineer has instituted these suits to determine all water rights to certain tributaries of the Rio Grande so as to aid in this administration.

One of the five pending cases [54] names as among the defendants four Indian pueblos—Nambe, Pojoaque, Tesuque, and San Ildefonso. This case seeks to adjudicate water rights to the Nambe and Pojoaque Creeks. San Ildefonso Pueblo, and a number of other pueblos not named defendants, border on the Rio Grande and claim water in the Rio Grande by virtue of the *Winters* doctrine. Representatives of the Solicitor's Office in Albuquerque have even expressed the view that assertion of the Indians' full claim to Rio Grande water would exhaust the present flow.[55] Thus the federal attorney for the pueblos is aware of an Indian property claim which, if asserted, might destroy the feasibility of a reclamation project which seeks to supply principally municipal and industrial users in Albuquerque that already use some Rio Grande water.

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[49] *United States v. Alpine Land and Reservoir Co.*, No. 24, 156 (9th Cir. Aug. 24, 1970).

[50] *Pyramid Lake Paiute Tribe v. Hickel*, Civil No. 2506-70 (D. D.C. filed August 21, 1970).

[51] Ethical Consideration 5-15.

[52] *Jedwabny v. Philadelphia Transportation Co.*, 390 Pa. 231, 235, 135 A. 2d 252, 254 (1957), *cert. denied*, 355 U.S. 966 (1958).

[53] The San Juan Chama Project was authorized in 1962. 76 Stat. 96.

[54] *New Mexico v. Aamodt*, No. 6639, U.S. District Court, D. New Mexico.

[55] Meeting, October 8, 1969, discussed in Daniel M. Rosenfelt, "Report on the Protection of Pueblo Indian Rights to the Use of Water in the Rio Grande Basin: A Discussion of Pending Litigation" (hereafter cited as "Rosenfelt Report") p. 2.

The Department of Justice intervened to defend the litigation on behalf of the pueblos and filed a complaint claiming "quantities of water sufficient to satisfy the maximum needs and purposes of said Pueblos. . . ." [56] But, although one pueblo, San Ildefonso, has claims to water on the Rio Grande as well as Pojoaque Creek, the United States elected to accept the limitations on the case framed by the State and not to assert any claims to the Rio Grande itself. Consequently, San Ildefonso must "compete" with the three other pueblos for water in the Pojoaque and Nambe creeks which, in fact, are almost dry.[57] Some of the Indian pueblos are concerned that the government's decision to limit the water rights adjudication to tributaries of the Rio Grande, and not to assert claims to the main river itself, is influenced by a desire not to delay the completion and operation of the federal San Juan Chama Reclamation Project.[58] The first clear conflict of interest in New Mexico then, is that the United States Department of Justice and the Solicitor's office of the Department of Interior (the regular attorneys for the Bureau of Reclamation) are representing Indian interests which may not be compatible with the multimillion-dollar project of another important government "client."

A second conflict of interest appears on the face of the pleadings. The same attorneys are representing interests of the Indians and the Santa Fe National Forest. Both the Indians and the National Forest must compete for the same limited supply of water.

These conflicts are not theoretical; they appear to have resulted in a serious failure to protect Indian rights. For example, the government has failed to contest a "settlement" arrived at between the State and non-Indian users following administrative procedures under New Mexico State law, notwithstanding the federal nature of Indian water rights.[59] When it filed its complaint, the State prepared an elaborate hydrolographic survey showing its determination of all lands which have been irrigated within the Nabe-Pojoaque watershed. The State then made "offers of judgment" to the non-Indian defendants based on the survey. If accepted, these offers were signed as court orders. The federal attorneys in an instance of non-adversary representation of the Indians, failed to require any non-Indian landowner to prove the source and character of his title, or the measure of rights to the use of water, or history of water use.[60] Indeed, these non-Indian defendants are not even required by the United States to answer its complaint and to plead—let alone prove—title to their land or use of water.[61]

5. *Private Trespass Over Tlingit and Haida Lands*

The Pueblos' water rights claims to the Rio Grande (just as the Northern Paiutes' claims to water for Pyramid Lake) involve the prospect of adjudicating all, or a substantial number of, the claims to use of water in a huge river system. The government's handling of more limited types of litigation, however, appears no more effective when blemished by the occurrence of a conflict of interest. An example of this deficiency can be seen from an analysis of the trespass committed by a private road builder over Tlingit and Haida lands near the native village of Klukwan, Alaska.

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[56] Complaint, paragraph VI(a).

[57] Rosenfelt Report, p. 28.

[58] See also Memorandum, William H. Veeder to Commissioner of Indian Affairs, "Memorandum respecting rights to the use of water of the Pueblo Indians of New Mexico in the Rio Grande and its tributaries," October 31, 1969.

[59] Affidavit of Daniel M. Rosenfelt, April 23, 1970, Case #8639 District of New Mexico.

[60] Rosenfelt Report, p. 39.

[61] *Id.* at 43.

The builder initially sought a permit to construct the road from Bureau of Land Management in Alaska. Since the road would pass over, and use timber situated on, land determined by the Court of Claims[62] to be held in aboriginal "Indian title"[63] by the Tlingit and Haida Indians, the BLM told the firm to secure the Indians' consent. The BLM specifically stated that "no cutting of right-of-way timber or road construction is to take place until the right-of-way and timber permits are issued."[64] Nonetheless, when consent was refused by the Tribal Council, the firm constructed the road without the permission of either the Indians or the BLM.[65]

In January 1969, the Tlingits and Haidas requested the Solicitor for the Interior Department to take action against the builder for its trespass.[66] In April 1969, a decision was reached to institute suit seeking money damages and injunctive relief. After suit was filed, the BLM was asked to "investigate" the facts of the situation. This investigation revealed that the road had indeed been constructed in August 1968 and a report described in some detail the factual results of the investigation.[67] No action was taken to prosecute the claim. In the view of the Indians' Washington counsel this was because the theory of recovery was resisted by the Public Lands Division of the Solicitor's Office.[68] Ultimately, the action was dismissed by the United States.

The Solicitor's Office, evidently, did not wish to claim that aboriginal "Indian title" gives the Indians enforceable rights to the land—despite the fact that the Tlingit and Haidas' title had been recognized by the Court of Claims, and Indian title has been held by the Supreme Court to furnish a basis for the recovery of money damages.[69] This is not surprising in view of Interior's history of dealing with Indian title in Alaska. Between the time of Alaskan Statehood Act of 1958 and promulgation of the land freeze in January 1968,[70] the BLM patented six million acres in Alaska—mostly to the State. Half of this land was claimed by Alaskan native by virtue of aborignal possession,[71] a claim ignored by the Bureau. To some degree, in addition, the Solicitor's reluctance to assert the enforceability of Indian title as a property right may have been due to the fact that the Interior Department was, in the latter part of 1969, considering the issuance of right-of-way permits for construction of a trans-Alaskan pipeline, which would pass over lands claimed by Alaska natives by virtue of Indian title.[72]

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[62] *Tlingit and Haida Indian* v. *United States*, 147 Ct. Cl. 130 (1968).

[63] Indian title is a right to exclusive possession of land, based upon occupancy since "time immemorial." *Johnson* v. *McIntosh*, 21 U.S. (8 Wheat) 543 (1823); *Choteau* v. *Molony*, 57 U.S. (16 How.) 203 (1853); *Holden* v. *Joy*, 84 U.S. (17 Wall.) 211 (1872); *Buttz* v. *Northern Pacific R.*, 119 U.S. 55 (1886); *Cramer* v. *United States*, 261 U.S. 219 (1923); *United States* v. *Shoshone Tribe*, 304 U.S. 111 (1938).

[64] Letter, James W. Scott, Manager, Anchorage District Office, BLM, to Moore & Poeser, Inc., May 21, 1968.

[65] Letter, I. S. Weissbrodt to Edward Weinberg, Solicitor, Department of the Interior.

[66] *Ibid.*

[67] Report from Natural Resources Specialist, Juneau, to District Manager, BLM, Anchorage, "Moore and Roeser, Inc., Timber and Road," May 19, 1969.

[68] Letter, I. S. Weissbrodt to Mitchell Melich, Solicitor, Department of the Interior, November 5, 1969.

[69] *United States* v. *Sante Fe Pacific R. Co.*, 314, U.S. 339 (1941).

[70] PLO 4582, 34 Fed. Reg. 1025 (1967).

[71] Federal Field Committee for Development Planning in Alaska, *Alaskan Natives and the Land* 453 (1968).

B. OTHER CONFLICTING RESPONSIBILITIES OF THE UNITED STATES: DEFENSE OF INDIAN CLAIMS COMMISSION PROCEEDINGS

The Department of Justice's statutory duty [73] to defend proceedings commenced by Indian tribes or bands in the Indian Claims Commission results in a conflict which has, on occasion, prevented it from fulfilling its trust responsibility to protect and conserve Indian property rights.

In October 1968, the Rincon and La Jolla Bands of Mission Indians requested the government to commence an action on their behalf against the Escondido Mutual Water Company for an injunction and damages for unlawful appropriation of San Luis Rey River water claimed by the Indians.[74] Despite repeated requests, and a growing urgency as negotiations progressed concerning the terms under which the water company would sell all its assets to the City of Escondido and liquidate, the government refused to make any decision.[75] Finally three days before the water company's shareholders were scheduled to meet to vote formally on the city's offer to purchase the company's assets and on the liquidation plan, the Rincon and La Jolla Bands filed suit, represented by private counsel, in the federal district court in San Diego against the Escondido Mutual Water Company, and the City of Escondido. The Secretary of the Interior and the Attorney General of the United States were named as defendants because of their failure to represent the Indians.[76]

The government's reluctance to commence litigation proceeded in part from a desire not to embark upon general riverwide water rights adjudications.[77] Another reason given by the Department of Justice for its failure to represent the Mission Indians was the fact that the Department was currently defending an Indian Claims Commission proceeding in which the Indian Bands claimed that the government had been derelict in its preservation of their water rights in the river.[78] This institutional conflict-of-interest is particularly troubling since, when the government filed its proposed findings of fact and brief in the San Luis Rey case before the Commission, it had urged that the Indians' best course was to seek redress from the water company rather than the government, and even that receiving damages from the government could preclude the Indians and the government from later asserting their water rights.[79] If such an adjudication is a desirable means to protect the trust property, the government as trustee should have brought it. Similarly, if the statutory requirement that the Department of Justice defend Indian Claims Commission actions makes that agency less vigorous in protecting Indian trust property, new institutional arrangements should be created to fulfill that vital function.

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[72] In April 1970, a preliminary injuction was issued against the Secretary of the Interior barring issuance of right-of-way permits to traverse some lands claimed by Alaskan native villages. *Native Village of Allakaket* v. *Hickel*, Civil No. 706-70 (A.D.C. filed March 9, 1970).

[73] 25 U.S.C. § 70n.

[74] Letter, Robert S. Pelcyger, California Indian Legal Services, to Mr. William E. Finale, Bureau of Indian Affairs, October 31, 1968.

[75] During the course of discussions between the Indians, and their attorneys with California Indian Legal Services, on the one hand, and the Department of Justice and the Interior, on the other hand, a report together with recommendations was submitted to the Department of the Interior by the Sacramento Regional Solicitor's Office. Although the Indians' attorney requested an opportunity to review this report and discuss it with the individual preparing it, the Regional Solicitor's Office refused to make the report available. After its submission, it was classified as "confidential." The withholding of this report from the Indian wards seems in violation of the trustee's duty to disclose opinions of counsel dealing with his own management of the trust property. *Scott, Trusts* 1407. This disclosure must be made even if it reveals the trustee's own negligence. American Bar Association, Informal Opinion No. 1010. The government's defense of its action—that the document constituted an attorney's "work product"—constitutes an admission that the Departments of Justice and the Interior have interests adverse to those of their Indian beneficiaries.

[76] *Rincon Band of Mission Indians v. Escondido Mutual Water Co.*, No. 69-217-S (S.D. Cal., filed July 25, 1969).

[77] In a letter to Representative James B. Utt, August 15, 1969, Assistant Attorney General Kashiwa pointed out that such adjudications require several years and entail great expense both for the United States and all water users in the area. It is far from clear that a general stream adjudication would have been required in the San Luis Rey case, since only the water company's appropriation was complained of, not that of other water users.

[78] *Rincon Band of Mission Indians* v. *Escondido Mutual Water Co.*, No. 69-217-S (S.D. Cal., filed July 25. 1969). Response of Attorney General and Secretary of the Interior to Court Order dated November 26, 1969,

Indeed, the Department of Justice has acknowledged that the pendency of the claims proceeding and concern that the United States could be liable for its sanctioning of the water company's diversion (the Secretary of the Interior had entered into a 1914 contract with the water company without the Indians' consent, limiting their use of the river's water) influenced the Department's attitude toward representation of the Mission Indians. Assistant Attorney General Kashiwa, justifying the Justice Department's ten month delay in deciding whether to assist the Indians, stated that:

> The La Jolla, Rincon, Pauma and Pala Bands of Mission Indians are not only wards of the United States but must be considered as potential adversaries in litigation against the United States." [80]

The Department of Justice's defense of Indian Claims Commission cases on behalf of the government adversely affects its representation of Indians in those situations within the Interior Department where the Solicitor or another official "arbitrates" an Indian claim. For example, the Quechans also had a claim pending before the Indian Claims Commission at the time the Yuma County lease was signed.[81] The government's determination that the riverfront lands were non-irrigable may have been motivated by a desire to minimize their value before the Claims Commission.[82]

C. CONFLICT OF INTEREST BETWEEN THE ATTORNEY'S DUTY TO REPRESENT INDIAN TRUST PROPERTY RIGHTS AND POLITICAL INFLUENCES FROM THE EXECUTIVE DEPARTMENT

In addition to his representation of conflicting Interior Department bureaus, the Solicitor's zeal in representing Indian trust beneficiaries is further strained by his position as the legal advisor to the Secretary of the Interior. The Solicitor is thus clearly responsive to the Secretary's desires. There is evidence in the Quechan lease case that Secretary Udall was influenced to favor the lease by political pressures from his home state of Arizona. Prior to the Solicitor's opinion, a meeting was held in March, 1968, between the Yuma County River Parks Advisory Committee and representatives of the Solicitor and the Secretary. In a letter to "Dear Stu," the Chairman of this Yuma County Committee reported on this meeting and expressed disappointment with the sympathy shown by Deputy Solicitor Weinberg for the Indians' claim.[83] Secretary Udall responded to "Dear Roy" on March 22 and expressed the hope that the lawyers could promptly overcome the obstacles involved. The same day, the Secretary urged the Commissioner of the Bureau of Reclamation to make his determination as to the irrigability of the lands "as rapidly as possible," and indicated that "I consider this matter of great priority."[84]

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[79] Memorandum, Robert S. Pelcyger, to Thomas M. Susman, Staff, Subcommittee on Administrative Practice and Procedure, U.S. Senate, November 14, 1969, "San Luis Rey Water Case," p. 14.

[80] Letter to Representative James Utt, August 15, 1969, p. 4.

[81] *The Quechan Tribe of the Ft. Yuma Reservation, California v. United States*, Ind. Cl. Com. Docket No. 320.

[82] See Letter, Roy R. Young, to Honorable Stewart L. Udall, March 13, 1968.

[83] *Ibid.*

D. TECHNICAL DETERMINATION BY INTERIOR AGENCIES WITH AN INTEREST ADVERSE TO THE INDIANS: THE KENNEWICK DAM EXTENSION

One problem illuminated in the Quechan lease case was the unquestioning reliance which Interior Department decision-makers placed upon the technical determinations made by the Bureau of Reclamation as to the irrigability of the land in controversy. Similarly, the Tlingit and Haidas were required to rely on an investigation of the trespass to their lands by The Bureau of Land Management.

A more extreme example of the Interior Department's undiscerning reliance upon the technical determinations of a Bureau with interests adverse to the Indians is the Department's continued support of the Kennewick Dam Extension to the Yakima Reclamation Project. Legislation authorizing the extension had passed the Senate and was nearing House passage when the Yakima Indian Tribe—which had not been notified of the pending legislation—urged that consideration of the bill be postponed as the extension would use waters to which the tribe was entitled. Specifically, the tribe was concerned that if the extension were constructed it would preclude the Yakimas' own plans, which were concrete in their formulation and had been submitted to Interior, to construct three irrigation projects.

On July 16, 1969, a meeting was convened by the Assistant Secretary for Public Land Management, attended by representatives from the tribe, the National Congress of American Indians, the Bureau of Reclamation, Interior's Legislative Counsel, and members of the Solicitor's Office representing *both* Indian Affairs and Reclamation. All present agreed that a 1945 court decree constituted a full and complete adjudication of water rights in the Yakima River above the contemplated project and of all waters in tributaries to the Yakima River flowing through the Yakimas' land—particularly Toppenish and Satus Creeks, where two Indian irrigation projects were planned by the tribe. At this meeting Reclamation officials stated that they would make no use of tributary water, and the Assistant Secretary accepted their technical determination that the hydrology of the river did not require their use of these waters.[85] This assurance however, was directly contradictory to a prior House Report, wherein Reclamation had stated that, in order to establish project feasibility, it did rely on the inflows from these tributaries during certain times of the year.[86]

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[84] Memorandum, Secretary of the Interior, to Commissioner, Bureau of Reclamation, March 22, 1969.

[85] Letter, Mr. Robert Jim, Chairman, Yakima Tribal Council, to Honorable Henry M. Jackson, July 22, 1969 (hereafter referred to as "Jim letter").

The Bureau of Reclamation's July disclaimer[87] is also inconsistent with a memorandum less than one month earlier, which stated that the extension would utilize *only* "return flow from upstream irrigation and uncontrolled spills past the point of diversion."[88]

Despite these plain inconsistencies in Reclamation's reports, the Assistant Secretary stated that his study confirmed Reclamation's disclaimer,[89] and on August 12, Secretary Hickel reaffirmed his support for the Kennewick Dam Extension.[90]

E. PRIOR NOTIFICATION TO INDIAN TRIBES OF PROJECTS WHICH MAY AFFECT THEIR INTERESTS: THE "RETURN" OF LANDS CLAIMED BY FORT MOJAVE INDIANS TO THE STATE OF CALIFORNIA

As is apparent from the discussion of Kennewick Dam Extension, affected Indians are sometimes not notified when a federal agency contemplates actions adverse to their trust property rights. Consequently, the Indians may be stripped of the land and other natural resources on which they rely for their livelihood and left with only a claim for money compensation.

On March 15, 1967, a BLM hearing examiner issued a proposed decision to award to the State of California a substantial portion of the lands claimed by the Mohave Indians to be included within their reservation. The basis for this decision was a determination that the land in question was public land on September 28, 1950, the date the Swamp and Overflow Land Act[91] was passed, and was hence "returnable" to the State by the United States. At no time did the Mohave Tribe have notice of the proceeding. By accident, in June 1967, the BIA learned of the decision. Shortly thereafter, both the BIA and the

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[86] H. Rept. No. 286, 88th Cong. 2d Sess., states in part:

AVAILABLE WATER

"The flow of the Yakima River at Prosser Dam consists of spills over Sunnyside Dam, the next diversion above Prosser Dam, and inflow between Sunnyside and Prosser Dams is made up of tributary inflow and return flow from irrigated lands. The spills over Sunnyside Dam constitute the greatest volume of the total annual runoff, but are a fluctuating, unreliable irrigation supply. By comparison the return flows below Sunnyside Dam comprise a smaller portion of the total runoff, but because they are dependable flows, they provide a large portion of the irrigation supply for the Kennewick Division.

INFLOW, SUNNYSIDE TO PROSSER DAM

"The inflow to the Yakima River below Sunnyside Dam is made up of runoff from tributaries (Toppenish and Satus Creeks) and return flows from irrigated lands. Tributary runoff is of little importance in the months of July-October, when it amounts to about 2 percent of the total inflow. Return flows drain to the river from the Wapato project, south and west of the river, and from the Sunnyside and Roza divisions of the Yakima project on the north and east. A high total inflow is sustained during the irrigation season because the maximum tributary runoff and the maximum return flow occur at different times. *Tributary runoff reaches a maximum during the spring and early summer, when return flows are relatively small. After May or June tributary runoff decreases abruptly, and return flows increase sizably*, reaching a maximum during the late summer. In the fall and winter, inflow is small and does not increase appreciably until augmented by melting snow and spring rains." (Emphasis supplied.)

[87] Jim Letter, p. 3.

[88] Memorandum, Commissioner of Reclamation to Legislative Counsel, Office of the Under Secretary, "Water Supply and Water Rights for the Kennewick Dam Extension, Washington," June 17, 1969, p. 5. The proposal to use uncontrolled spills is inconsistent with a portion of the 1945 decree, which allocated spills over Sunnyside Dam (the project directly upriver from the Kennewick Division), relied upon by Reclamation, to existing users (as of 1945) "in accordance with its practice prior to the entry of this judgement." William H. Veeder, Memorandum, "Yakima Indian Nation's Rights to the Use of Water Imperiled by Bills: To Provide for the Construction, Operation, and Maintenance of the Kennewick Division Extension, Yakima Project, Washington," July 7, 1969, p. 15.

[89] Jim Letter, p. 3.

[90] Letter to Senator Jackson, August 12, 1969.

[91] 43 U.S.C. § 981 et seq.

Mohave Tribal Council petitioned to intervene.[92] The grounds for the petitions were that the Indian Claims Commission had determined the lands in question to be held by the Mohaves by "Indian title" in 1850.[93]

These petitions were referred to the Office of the Solicitor—the Indians' trust attorney. Earlier in 1967, the Solicitor had rejected the BIA's request to resurvey the Ft. Mohave reservation boundaries, and a member of the Solicitor's staff who had written that decision also participated in the decision concerning the petitions to intervene. At first the Solicitor denied the BIA's petition (on the ground that since a government attorney had participated in the hearing, the BIA had been adequately represented) and granted the Mohaves a limited right to intervene which was conditional upon the Solicitor and the Secretary making certain determinations. Then, in October 1969, the Solicitor broadened his decision and granted the tribe a *de novo* hearing, with the right to cross-examine witnesses who had testified earlier.[94] Although the tribe requested that a government attorney represent them in this costly proceeding, the Department of Justice refused to provide one and the Mohaves were ultimately required to secure private counsel.

F. CONFLICTING INTERESTS AMONG INDIAN CLIENTS: INTERVENTION INTO RIO GRANDE LITIGATION BY PUEBLOS OF SANTO DOMINGO AND SAN FELIPE

As discussed earlier (Part IA(4)) certain Indian pueblos believed that their interests to water on the Rio Grande should be asserted in the New Mexico litigation which was limited by the state and the United States to tributaries of the river. On April 23, 1970, the pueblos of Santo Domingo and San Felipe moved to intervene in all five cases commenced by the state and to assert their claims to the Rio Grande. This motion was resisted by the Departments of Justice and Interior on the ground that the interests of the intervening pueblos were adequately represented by government counsel.

The Commissioner of the Bureau of Indian Affairs sought to assign a highly experienced water rights lawyer in the Bureau's employ, Mr. William H. Veeder, to represent these pueblos. The Justice Department resisted Mr. Veeder's being assigned as a co-counsel to them, so the Commissioner assigned him to the pueblos themselves,[95] and the pueblos directed that he appear in court. After Mr. Veeder had made one court appearance, a dispute arose as to whether Mr. Veeder's assignment was to act as counsel or as an expert witness. The Commissioner then took the position that Mr. Veeder was only to be an expert witness. Accordingly, Mr. Veeder's assignment was retracted on the grounds that government attorneys could not oppose other government attorneys and that the Department of Justice adequately represented the pueblos. Mr. Veeder was even threatened with prosecution for violating the federal conflict of interest laws[96] if he continued to represent the pueblos against the government.[97]

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[92] speech, Representative Pettis of California, December 4, 1969 (H. 11816, Cong. Rec. Daily ed.) (hereafter referred to as Pettis speech).

[93] 7 Ind. Cl. Com. 219. The Supreme Court has declared the Swamp and Overflow Land Act to be inapplicable to lands which the Indians held in 1850. *United States* v. *O'Donnell*, 303 U.S. 501, 509 (1937); *United States* v. *Minnesota*, 270 U.S. 181, 206 (1925). Also, the act applies only lands made unfit for cultivation, see *Keeran* v. *Allen*, 33 Cal. 542 (Cal. Sup. Ct), and the Mohaves rely on the Colorado River to irrigate and fertilize their fields. 7 Ind. Cl. Com'n 219, 252 (App.).

[94] Pettis speech, *supra* note 92.

[95] The Commissioner relied on 25 U.S.C. § 48 which provides: "Where any of the tribes are, in the opinion of the Secretary of the Interior, competent to direct the employment of their blacksmiths, mechanics, teachers, farmers, or other persons engaged for them, the direction of such persons may be given to the proper authority of the tribe."

The New Mexico litigation, and the intervention by the pueblos, dramatizes another problem: that Indian tribes or groups may have conflicting interests among themselves which require resolution. Either different Indians may have conflicting claims to particular property, as the four pueblo defendants obviously had competing claims to the waters in the Nambe-Pojoaque system; or they may differ on tactical questions, such as whether to assert their rights to the Rio Grande itself. Notably San Ildefonso, and the other pueblos with Rio Grande claims, did *not* join Santo Domingo and Dan Felipe in requesting that the litigation be broadened to include the Rio Grande.[98]

CONCLUSION

This paper has discussed at some length at least eight separate instances where a conflicting interest on the part of an Interior Department Bureau has obstructed legal enforcement of an Indian claim to land or natural resources. Each situation is current—arising in 1967 or later—and some are continuing controversies. The shortchanging of Indians by the white man—thought by some to be an historical phenomenon--is a present day occurrence, abetted by the Government itself.

The responsibilities of the Interior Department's Solicitor to other departmental bureaus, and the duties of the Attorney General to defend other agencies and Indian Claims Commission proceedings, in practice greatly diminish the zeal and effectiveness of these officials in providing legal representation to the Indians. The Solicitor is particularly compromised as an advocate for Indian rights by the fact that he must render opinions settling intradepartmental disputes, including such procedural matters as whether the Mohaves can intervene in a proceeding pending in the Bureau of Land Management.

The Solicitor is thus charged with serving both as lawyer and as judge. The Department of Justice seems sluggish in responding to Indian requests that litigation be brought; moreover, the defense of Indian Claims Commission proceedings forces upon that Department the role and also the mentality of being an adversary to many Indian claims to natural resources. Similarly, the Interior Department's duty to conserve and protect public resources engenders a hostility on its part in some instances to claims by Indians of private property rights. Even the existence of a suspected conflict of interest—as in Justice's negotiations to settle the Carson River *Alpine* case, or its decision to confine the scope of New Mexico water rights litigation—raises just doubts in the minds of the Indian clients as to the fidelity of their attorneys.

The opinions of the Solicitor in the Interior Department are, moreover, frequently based upon investigations conducted by agencies with interests adverse to the Indians; for example, the hydrological studies by the Bureau of Reclamation concerning Kennewick Dam and land surveys conducted by the Bureau of Land Management (as in the *Tlingit* and *Haida* case). These facts are seldom subjected to scrutiny comparable to that of cross-examination by a zealous attorney or the critical evaluation of a hearing examiner, commissioner or, judge. The Indians generally have no comparable experts to which they can turn for technical expertise.

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[96] 18 U.S.C. § 201 *et seq.*

[97] *Washington Post*, August 22, 1970, pp. A1, A6.

[98] Even if San Ildefonso had asserted its rights solely to the Rio Grande, three pueblos would have been left to rely exclusively on the tributaries.

Finally, no systematic procedure exists for notifying Indian tribes or their protectors of actions which might infringe Indian trust interests. In the Kennewick Dam extension and the Mohave land transfer, the affected Indians learned only accidentally of the contemplated action, and with respect to the former, it was too late to muster effective opposition.

The Indians' fiduciary relationship with the Government is a unique protection for a minority group. The value of this relationship is, however, substantially eroded by conflicts of interest that compromise the Federal protection extended to the Indians. At the very least, the Federal trustee should disclose all possible conflicts to the Indians affected, and provide them with legal and technical representation unblemished by divided loyalties. By separate institutional devices, the Government has managed in the past to represent both sides in a controversy,[99] and there seems no reason why this cannot be done in the case of conflicts between Indians and other Federal departments. And even apart from the creation of new institutions, procedures should be established within the Interior Department to give notice to Indians of adverse claims against land and natural resources claimed by them, and to relieve the Solicitor of responsibility for representing both sides and serving as judge as well in contested matters.

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[99] *E.g.*, *Secretary of Agriculture* v. *United States*, 350 U.S. 162 (1956); *United States* v. *ICC*, 337 U.S. 426 (1949).

Chairman ABOUREZK. Our next witness is Mr. Sherwin Broadhead. He is a private consultant who can aptly be called the granddaddy of the American Indian Policy Review Commission. He was a member of my personal staff 2 or 3 years ago at the time we put together the concept and the details of the legislation which established the Commission.

I would like to welcome him here today. He is very knowledgeable in Bureau Affairs as well as general Indian affairs. Welcome.

At this time I will place in the record a statement prepared for the committee by Charles Peone, Jr., a former staff member of the American Indian Policy Review Commission and a member of the BIA Management Study Group.

Mr. Broadhead, I will also place your prepared statement in the record and you may proceed with your verbal testimony.

[The statements follow:]

PREPARED STATEMENT OF CHARLES PEONE, JR., REGARDING THE BUREAU OF INDIAN AFFAIRS MANAGEMENT SYSTEM[1]

The purpose of my statement before the Senate Select Committee on Indian Affairs is to point out some of the significant issues regarding the management and organization of the Bureau of Indian Affairs in terms of (1) inaction of the Carter Administration, (2) the required operational concept of the BIA and (3) discussion of factors which underlie the difficulty in reaching an efficient level of operations through organizational change in the Bureau of Indian Affairs. The context of this statement will be in terms of recognizing the importance of the findings and recommendations of the American Indian Policy Review Commission and in particular, the BIA Management Study of 1976 conducted by the Commission.

My first point of concern is to indicate the relative lack of interest displayed by the Carter Administration regarding Indian Affairs. To date, very little has been done and very marginal attempts have been made even to make contact or acknowledge the Indian people. During our work on the American Indian Policy Review Commission and on the BIA Management Study, every effort was made to give full consideration to the then "new" Administration in implementing any proposed changes within the Executive Branch. We strongly felt that the President's promises would be made good in an expeditious and efficient manner, while adhering to broad guiding principles on Indian policy provided by the American Indian Policy Review Commission and supported by extensive Indian testimony and documented case study over the past two and one half years. Apparently, the Administration has chosen to ignore the voice of the Indian people and will attempt to "grapple" with the issues of Indian policy independent of their desires. This is especially disheartening when one considers the magnitude of the effort and base information provided in the reports of the American Indian Policy Review Commission. Presently, personnel selection and policy statements are bogged down, indicating a totally inadequate approach to Indian problems by the Administration. The consultation process is once again being reduced to mere rhetoric in an effort to contend with complex Indian issues.

Something must be done to put the new administration in touch with the Indian people and the relevant issue which demand immediate attention. Without this impetus, major changes in the Indian bureaucracy will be frustrated. The Indian people will not support substantive changes designed by an Administration which lacks the confidence of the people. I believe that enough time has passed for the Adimnistration to react and now it is up to the Select Committee on Indian Affairs and Congress to take issue with the Administration in response to the recommendations of the American Indian Policy Review Commission. Support from the top down plus full support of the Indian people are requisite to major institutional change. The most important point of our work on the Commission was a full commitment to an action plan—enough studies have been made, now it is time to take immediate corrective action and it is not too soon to ask for a response to the concerns of Indian people.

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[1] Charles Peone Jr. is a former staff member of the American Indian Policy Review Commission; a member of the BIA Management Study group concentrating on Management Information Systems of the report. In addition, Mr. Peone is a Wiyot (Eel River Band of Indians, California); is a former employee of the Navajo Area Office (BIA); is presently a Ph.D. candidate in the College of Business and Public Administration, University of Arizona, concentrating in Management Information Systems; and is presently on the faculty staff as a Research Associate working on a Training and Technical Assistance contract under P.L. 93-638 with the Phoenix Area Office (BIA).

If the Administration can be made responsive to the needs of the Indian people, then there are certain issues that must be addressed. The first issue deals with a fundamental understanding of the operational concept under which the Bureau of Indian Affairs must conduct its business. This statement is made with the understanding that the Department of the Interior and the Office of Management and Budget greatly influence and effect operations of the Bureau of Indian Affairs.

From a strict management approach, the Bureau of Indian Affairs' primary function is the transfer of management capacity to the tribes, notwithstanding the trust responsibility function of the federal government. These transfers involve specifically the transfer of information, technology, skills, and functional components necessary for the assumption of tribal control over federal Indian service systems. Further, tribal government capacity development is implicit within the understanding of self-government and delegated federal program services responsibility and control.

The focal point of federal policy should be Indian tribal governments. Their improvement is the determining factor by which the BIA should be judged. Their capacity is strengthened if these transfers are made through BIA operations. If this point is understood, then the issues are: control of information, lines of communication and redirection of reporting systems; major shifts in manpower requirements of the federal bureaucracy and: whether program functions should absorb the costs of operating the federal bureaucracy. The basis for maintaining excessive personnel levels is tied directly to the continuance of in-kind service contributions by the federal bureaucracy—a philosophical divergence from the policy intent of Congress and the expressed desire of Indian people.

I suspect that the simplest analysis of the problem would be to rationalize the relationship of the Indian people to the federal bureaucracy. The Indian people have an express right to self-government and control of their own affairs. The federal government, as trustee, must develop a meaningful policy which incorporates the elements of the trust relationship into a policy of Indian self-government. Therefore, Indian policy can best be described in terms of the policy set by each local tribal institution based on locally defined needs and priorities. These needs and priorities need not be "interpreted" nor "certified" by federal agents except in terms of developing response criteria and overall budget formulation. A highly responsive federal bureau would make every effort to formulate federal budgets which secure federal domestic assistance to meet tribal needs within the constraints of fiscal policy.

What is normally thought of as effective and efficient government does not necessarily hold true for administering to the needs of Indian people. Decision-making power must flow from the tribes to the federal government on an operational and policy formulation basis. Centralization of program functions and decision-making induce tremendous costs on the Indian people who cannot be discounted nor reflected as a non-cost to the federal government, although there is an appearance of cost-savings to the government. Application of this thought is reflected in the present information and reporting system of the BIA. All information flows away from the operational level (the reservation level or tribal government level). In effect, the local level is workloaded to support massive reporting requirements of the "central" bureaucracy.

There are specific points to be considered in formulating a strategy for change in the organizational concept of the Bureau of Indian Affairs. Our experience with AIPRC indicates that what is really required is a commitment to make change and to implement the change process. These factors are well understood by Commission staff, however, these considerations should be reviewed briefly for the record in hopes of expediting the nature of recommended changes:

ATTITUDES OF BIA EMPLOYEES

The BIA has been the subject of constant criticism over the years from Congress, the Eexcutive and the Indian people. Gross negligence, inefficiencies and mismanagement is attributed to Bureau operations, leaving little satisfaction or self-esteem for its employees. Confronted with these issues, the Bureau has remained relatively unchanged, primarily because of a lack of sustained effort on the part of past administrations. Low-key interest in the leadership and management of Indian affairs is a relevant factor in the lack of major changes being implemented. Employees have been conditioned to short-term political interests in change, but have been "unmoving" in the end.

Morale is extremely critical in the Bureau because of no leadership, poor communications, indecisiveness of managers, instability in career structure, and the effect of continuous criticism of the organization. All employees have been effected by the reluctance of the BIA to properly implement Indian preference and the lack of a rational approach to the problem by the Secretary of the Interior.

The inability of the BIA to cope with Indian preference has caused much of the underlying management problems of the organization. Two major problems permeate the entire organization: 1) conflicting goals and objectives between the BIA and Indian tribes, and 2) the confusion of operating Indian preference policy under Civil Service Commission regulations.

The basis for Indian preference is longstanding, that of providing a mechanism for Indians to govern themselves—not strictly as an employment function. The right to self-government is implicit in establishing a means for developing community goals and objectives in isolated areas. Indian preference provides for the opportunity of Indian people to govern and control those federal programs which effect community development and welfare. Instead, today, Indians are treated as "exceptions" to normal hiring procedures and must compete against the rest of society for civil service jobs which serve the Indian people. Further, the structure of jobs are developed based on typical Civil Service Commission Standards without regard to commitments to individual Indian communities. Thus, reliance on the present policy cause BIA operations to diverge from the common interests of the Indian community.

The second issue involves the obvious confusion of operating under a Civil Service Commission which establishes standards and qualifications foreign to Indian communities and potential Indian employees. Obviously, the advantage in hiring is in favor of the non-Indian. Indians employed by the BIA are inherently considered to be less qualified than their counterparts because of "exception" hiring. The appeal process is distorted and often neglected because of the conflicts in equal opportunity and preference hiring. In addition, training and advancement are developed arbitrarily, causing morale problems throughout the workforce.

Statistics indicate that some 70 percent of the BIA employees are Indian, but make no mistake about it, non-Indians run the Bureau of Indian Affairs. Characteristically, most are career servants who entered the Bureau in the late 1940's and early 1950's, a time when termination and complete autonomous control over Indian life were the conflicting hallmarks of managerial philosophy within the Federal agencies and the halls of Congress. Although many young Indian professionals have entered the ranks, many are frustrated, have yielded to the internal philosophy still very much present or have quit the Government as a result of the experience. Those who seek change do not last long in the Bureau or their careers are dampened by deeply embedded bureaucrats. The choice is not easy and often compromise in the workplace is more acceptable than leaving friends and family for work elsewhere. In sum, the working environment within the BIA is low-key and relatively non-productive in terms of meeting the needs of the Indian people, much less providing a satisfying work environment for productivity and accomplishment.

POWERS OF THE AREA OFFICE

Since 1961 at the Chicago Conference, Indian tribes have voiced their displeasure with the excessive layering of the Area Office structure within the Bureau of Indian Affairs. The Area Office is analagous to a regional office with jurisdiction over several agencies and individual tribes. The Area Office serves as a policy "interpreter" for Central Office and Congressional policy decisions while maintaining autonomous control over Agency and tribal operations.

Budget accountability stops at the Area Office level, hence, allocation of funds can be controlled and manipulated by Area Office staff. In effect, the Area Office is able to maintain excessive power over tribal government through priority setting, control of Federal and tribal funds, and "certification" of most operational activities. Responsibility is delegated to the field agencies, but authority is retained in the Area Office.

The Area Office controls operations by "playing" tribes off against one another through the budgeting process, program allocations and certification of all major decisions. The Agency operations level is left with little authority to conduct business such as contracting for services, cash flow reimbursement and policy decisions on operational matters.

At present, the Area Office is an impeding force in the path of Indian self-determination and self-government. This issue has never been clear to Federal administrators because of the relationship the Area Office has been able to maintain with the tribes. A major highlight of the history of the Area Office should be pointed out and that is the love/hate relationship with the tribes. This has posed very confusing problems for those who tried to change the structure of Indian Affairs in the past. The relationship is informal and is based on the arbitrary decision-making authority established by the Area Office. That is, the Area Office is the holder of the purse strings for the tribes under its jurisdiction (includes the authority to control expenditure of tribal funds and miscellaneous revenues). Therefore, those tribes who have gained "favor" with Area Office staff would do very well in the budget process at the expense of those who demand equity or must assert their rights on various priorities. There has been a continuously shifting pattern of program allocations over the years. Those tribes able to deal effectively with the Area Office situation see the advantage of maintaining the system; those who must bear the burden have other views. Over time, shifts have been effectively manipulated to induce the tribes "out of favor" to support Area functions as well. This makes for an extremely unstable condition for tribes to plan, but it does fit well into the concept of Band Analysis and incremental budgetary processes.

Clearly, a new role must be established for the Area Office if they are to continue to exist under future policy of self-determination. I do not foresee a major role in the BIA structure for the Area Office except on a limited basis. First, the Area Office must be taken "out of the line" of Bureau operations and redefined in terms of technical staff support to the Agencies or tribes. Second, the total staff must be reduced markedly and those funds and positions be reallocated to the operational level.

The results of this organizational shift would improve the overall operational concept of the BIA in terms of expressed Congressional mandates. Organizationally; lines of communications would open up between the policy group in Washington and the individual tribes; direct services and expertise at the local level would be upgraded significantly with virtually the same level of effort; and the Area Office would be in a position to offer technical assistance on a regional basis—a concept which originally justified the establishment of the Area Office structure.

The overwhelming power presently orchestrated by the Area Office to control the Affairs of Indians would be sharply reduced to a more positive role of supporting "staff" to the individual tribes. I am convinced that the Area Office must be either eliminated or assigned a new role, as mentioned above, in any future organizational or policy realignment. The impact of this single organizational adjustment would be revolutionary in the field of Indian affairs in terms of meeting the progressive environment the tribes require to develop for themselves the right to self-government.

BUDGETARY EFFORT

There are two major considerations in terms of the budget process which should be mentioned in this statement. One is the actual process itself which is explained in the BIA Management Study. The budget process will be addressed in a later hearing and is beyond the scope of this statement with the exception of understanding the relationship of Indian tribes to the federal government, mentioned earlier in this paper. If the basis of needs and priorities can be identified from the Indian perspective, then a federal-Indian budget can be developed in line with meeting, in an "efficient and effective" manner, the goals and objectives of the various Indian tribes.

The second issue involves the actual budgetary effort of the Bureau of Indian Affairs and the other federal agencies involved extensively in Indian programs. The context of the BIA budget must be identified in terms of the relative expenditures allocated to resource protection, resource development, human resource programs (including education funds) and administrative support services. Effort in this case should be determined by direct services to Indians in terms of either direct subsidy or in-kind service contributions by segregating administrative support and indirect costs into separate categories. This task is difficult enough, but when this is complete the budget breakout would indicate the relative expenditure of federal funds on specific Indian priorities.

A critical issue is the maintenance of effort in resource protection and resource development. In view of the overall effort, only a very small percentage is allocated to the fundamental mission of the BIA. Human resource demands are displacing the natural resource functions of the BIA. A simple review of the past five year budget effort indicate sharp rises in human resource programming and declines in natural resource efforts. In effect, this trend follows closely with significant increases observed nationally. However, an analysis must be made in relation to the importance of maintaining a significant budget in the resource protection and development programs. Increases in the overall budget must be evaluated in terms of the impact on resource programs rather than a prorated increase in all programs. I do not suggest that natural resource programs be increased at the expense of other human resource programs. I am simply stating that incremental increases are eroding the BIA budget because of the imbalance between natural and human resource efforts. For example, the Education budget is approximately 40 percent of the total budget alone; while trust related programs are an insignificant percentage of the total budget. When future budget considerations are made, this imbalance must be viewed from more than just an incremental approach as in the past. Either the imbalance must be reevaluated or extensive increases must be requested to adequately protect and develop Indian lands.

Another important aspect of the budget is the lack of Indian participation in the budget process. The BIA advocates the use of "Band Analysis" as a means of establishing priorities through Indian participation. However, only about one third of all BIA programs are on the band, hardly a significant portion of the Budgetary effort. In addition, with the advent of other federal agencies developing Indian programs, the BIA effort may only result in 40 percent of the total federal effort on some reservations. Therefore, in terms of using the overall activity on Indian reservations or in effect, the tribal budget, Indians do not share in the decision process of establishing federal priorities.

The result is that the BIA is playing a less significant role in the overall program services area and the tribes are the focal point of the fragmented approach of federal domestic assistance programming. A major consolidating effort in this area should be considered on behalf of the tribes so that control of planning and budgeting can become a meaningful mechanism for future use of federal funding.

The Bureau of Indian Affairs could do much to support these efforts as a liaison in support of tribal needs. The BIA offers little in the area of intergovernmental relations which should be a major function of the trust agent in terms of program services. Here is where the BIA could become an effective and important instrument in advancing the development of the Indian tribes. The BIA should identify the needs and priorities of the individual tribes and act as a "conduit" for federal domestic assistance programming in support of tribal government operations while providing the necessary assistance to tribes in developing capacity to manage their own affairs.

MANAGEMENT INFORMATION AND COMMUNICATION

The BIA Management Study amply identifies major problems in the management of information and communications. Little need be stated about the problems involved in the fact that tribes are widely dispersed and reside in isolated areas throughout the country. One major point must be made about the condition of the BIA effort in developing computer systems for future operations. These efforts bear little resemblance to the policy of self-determination established by Congress. The fact is that control of information is a tremendous tool in controlling the activities of tribal government. This tool has been used over the years to undermine the stability of Indian policy. A tremendous capital venture is taking place in the Albuquerque Data Center to update already proven outdated machines and manpower. The new investment is intended to bring the system up to the standards required to operate large-scale bureau programs.

I question the wisdom of centralizing and controlling major components of operational reporting systems at a time when Congress has established law inviting tribes to take over the responsibility of such program services. This action runs counter to the intent of Congress and undermines the capacity of tribes to fully control programs under Public Law 93-638. Further, a centralized system again makes demands on the operational level while offering little in return. The BIA has a proven track record in their past efforts to manage large computer systems. Somehow a rationale has been presented that simply because the present system has never worked means that an even larger system is viable under BIA management. One only needs to draw perspective on Indian preference policy and the future manpower requirements of large computer systems analyses and operations to see the nature and scope of this project.

Information and reporting systems should be developed primarily in support of local operations with secondary consideration given to centralized reporting requirements such as statistics and annual reports. These functions can be logically built into a dual communications system without the burden of excessive management expertise. This is a common tool used in industry and by private enterprise who specialize in the market of management information. In the long term, decentralized support systems at the reservation level would prove to be the most effective in terms of cost-savings and compliance with the intent of Congress.

CONCLUSIONS

The basis for my statements revolve around a central theme of tribal self-government and the extent to which a major federal commitment can be made. The issue of federal administration of Indian affairs has been very confusing to most but the process is really quite simple. Understand that there are individual Indian tribes and recognize that each entity is culturally and politically unique. Utilizng this understanding, the federal government can establish the role of being supportive of the efforts of tribes to develop at their own pace; and to recognize that Indian tribes are basically more capable of establishing priorities and identifying needs than outside intervention forces.

The immediate objectives of the federal government should be to improve the operation and management of the Bureau of Indian Affairs and to develop operational policies which establish goals and objectives in line with tribal goals and objectives.

The long term goals of the federal government should be to establish a communications linkage with the various Indian tribes through the budget process, the personnel process, and the management information process in the context of focusing on support systems for tribal activities.

The issues brought forth in this paper are critical to such a linkage. There are many alternatives by which to accomplish these basic fundamentals, however, the most important factor is the idea of commitment and of sustained effort on the part of the administration to implement and follow through on action plans.

PREPARED STATEMENT OF SHERWIN BROADHEAD

Mr. Chairman, members of the Committee—my name is Sherwin Broadhead, I live at Reardan, Washington. I thank the Committee for the opportunity to present testimony on the need to restructure and redirect the activities of the Bureau of Indian Affairs.

Most of my work experience since I graduated from Law School has been in government organizations working with Indians. Although some of the positions I've held appear exciting and even important, none is as relevant to your present inquiry than the three years I was Superintendent of the Colville Agency of the Bureau of Indian Affairs.

I was employed in the Capacity as Superintendent in an unusual manner. The Area Director usually does the hiring for these positions, in my case, the Colville Tribe sought me out and in the early days of Commissioner Bruce's Administration persuaded him to transfer me. The Area Director made it plain that I was not his choice and that co-operation from his Office would be limited. Perhaps that attitude coming from the Area Office contributed more to the success of my efforts than anything else. It allowed me the freedom to reorient staff to work with the Tribe and within the framework of a national policy of self-determination to have the tribal council set policy for the administration of Bureau of Indian Affairs programs. With the help of the tribe, I was able to secure delegations of authority in almost all program activity, by carefully analyzing the letter and the spirit of the law and the regulations with occasional assistance from the Central Office, we were able to move expeditiously and effectively to return the Agency to the reservation and reshape it to meet the needs of the tribe and serve the residents of the Reservation instead of catering to the whims of various Area Managers. Some say it can't be done, it would take a long time, or that Superintendents would not be able to effectively function without the line authority of the Area Director. It was done and I believe the effectiveness of the programs at Colville, the rising to prominence of the Colville Tribe as leaders in program creativeness attest to the effectiveness of local administration. The Colville Tribes were the originators of the first Indian Action Team, they have assumed control of a former mission school on the reservation, they have developed businesses, and are in control of their timber and mineral operations. Certainly the Colville Council is made up of an unusually talented people, however, I believe a part of the success they are having is traceable to getting the Area Office off of their backs.

My experience in working with the Agency staff was most rewarding. Some had worked many years with the Bureau. Once they learned they could actually service and work with the tribe, they became most effective creative technicians. Several came to me later and expressed of having a purpose in their work. I believe there are hundreds of such people working for the Bureau if they can just be reoriented.

How many times have we heard announcements coming from Executive Officials, Presidents, Interior Secretaries and Commissioners that basic change was being made in the policy or structure of the Bureau of Indian Affairs, how often we hear that the Bureau policy is self determination. Yet there is really no change. WHY NOT? because the policies and structural changes never reach the service delivery level. Why not?

The executive officials, often newcomers to the Bureaucracy and especially one of the oldest bureaucracies in the Government, the Bureau of Indian Affairs fail to come to grips with a very effective filter or buffer—the Area Office.

They are not able to recognize the sophistication of the Area Managers, who have mastered the art of survival management. Such concepts as self-determination or contracting if successful would undermine the power base of the Area Director and his Area Managers. They have learned to speak the language of several past administrations, yet they have just as effectively prevented the changes.

An Area Manager skilled at survival management can appear to be all things to all people. He gets along well with officials of other agenices as well as state officials because he is most co-operative with them often at the expense of program funds intended for tribes or even more detrimental he can provide these agencies with information or strategy in the other agencies grasp for Indian resources.

Area Managers almost always have the cooperation and support of the Superintendent Branch Chiefs and Technical Staff of the agencies because they control such important personnel actions as promotions, transfers and staff hire at the agency. They allocate program funding and even a novice survival manager knows how to hold back funds to distribute as rewards in times of need. In addition Area meetings of various disciplines are held at certain spots where entertainment is available and they talk things over—laugh at and decide the pronouncements coming out of the Administrations and plot to overcome the latest efforts by the Administraion to bring about change. A real sense of Brotherhood exists in this atmosphere of survival and a kind of mutual loyalty is built that often obscures other considerations.

The Area Manager has been able to exercise his management of survival with tribal leaders as well. His bundle of carrots and sticks seem endless. If a tribe is cooperative, special funds are found to meet special tribal projects. Tribal actions such as changes in Law and Order Codes or attorneys contracts are quickly approved and perfect harmony exists as long as these don't take the Commissioner or other Federal Officials with pronouncements of change too seriously complement support of the Area Director. On the other hand, some tribal leaders speak out in favor of change, try to contract programs or seek to exercise their authority that may cause Area Managers and Superintendents problems with state authorities, other agencies or force them to answer Congressional affairs. Approval of tribal action are often delayed or have to be changed. Attorney contracts are nit-picked and funds for needed programs never seem to be available, inflation forces cut backs in last years program and building programs are postponed.

A special survival technique has been perfected between many Area Directors and Superintendents, it goes like this. The Superintendent disagrees with a tribal action that requires Bureau approval, yet if he would disapprove the action, he would have to explain his action to the Council and perhaps suffer their displeasure, after all, he has to live there so he works a deal with the Area Director that he will forward the action to the Area Director with the recommendations that he approve if the Area Director will assure him that he will reverse the Superintendent's action. The Superintendent stays in good graces with the tribe and owes strong support to the Area Director and perhaps the Superintendent can convince the tribe to pass a resolution favoring the Area Director if someone tries to unseat him.

With these kinds of developed mechanisms holding the remnants of the Old Bureau together it's really no wonder that the transient administrations don't tamper with the filter are satisfied to sit back and bask in their pronouncements.

I want to make a few things clear.

1. These experts at survival Management are within Democrats or Republicans they treat all administration who propose change with equal disdain.

2. All the people within the Area Office and many people in agency offices are not part of this survival system, some even make waves and suffer the consequences.

3. I do not intend to be critical of tribal leaders whether they cooperate or fight. I believe they best know the needs of the people and usually they are very aware of consequences not only will befall them but also the people they serve.

The Bureau of Indian Affairs Management Study is right on target when they state. . . . will be possible to eliminate the position of Area Director and replace it. At present these employees interpose between central programs development activities and agency service delivery functions as a result they restrict communications and inhibit rather than enhance the Bureau's overall effectiveness.

Obviously, Warren King and Associates could not have learned about all the Survival Management Techniques but they had insight with what the result is when these survival techniques are exercised.

I would like to comment on two other recommendations presented by the Management Study.

1. I believe the management study was too kind in their comments about the band analysis system. Let's look at what options are possible under that system for tribes to meet their needs—obviously there is some need for last years program, the funding limits have already been set. If the tribe sets are priority over another, they may cripple the travel budget of the non-priority program and therefore denting its effectiveness—on the Area Office program or staff are not included in band analysis and certain amounts of special program funds can be easily hidden for later distribution and therefore only very limited agency budgets are effected. Yet the Band Analysis is often thrown back at tribes if they later seek funds in other than priority programs or want to initiate a new program. It appears to me to even imply that the present band analysis plan meets the requirements of the Indian Reorganization Act is a gross misstatement. The spirit of the IRA provisions regarding tribal budgets was to bring the budget process out in the open—the band mechanism serves only the Bureaucracy not the tribes and further obscures where the bulk of funds are being spent.

LEGAL ADVICE

Since the tribes are constantly beset with whether they have certain authority or not—what to do when non-Indians defy their authority, legal kinds of advice is sought from the Bureau of Indian Affairs—very few Bureau officials have any background in law, these questions must be forwarded to Regional or field Solicitors and the delay often seems a hardship on the tribe. Without a legal resource directly available, Bureau officials cannot possibly uphold the trust responsibility. The conflict of interest within the Solicitors Office and particularly obvious in some regional Solicitor's Office, make the asking of some questions regarding resources by a Bureau official a violation of the trust service it gives the Solicitor and opportunity to cast a legal cloud on the tribal property.

Until the Bureau is taken out of the conflict ridden Department of the Interior, or until a Trust Counsel Authority is created, the necessary and expedient solution is to create a General Counsel's Office under the Commissioner or Assistant Secretary as the case may be.

One other vital ingredient must be added, that is training, relevant training that deals with concepts such as sovereignty, jurisdiction, trust responsibility—

training that allows BIA Administrators to grasp the importance of his proper function to the survival and well being of the Tribe. Training that will provide these administrations with the self confidences.

STATEMENT OF SHERWIN BROADHEAD

Mr. BROADHEAD. Thank you, Senator Abourezk.

I want to thank the committee for the opportunity to appear here and address myself to what I feel is a very important matter that has been neglected far too long.

Most of my experience since graduating from law school has been working in various Government programs. Most of those programs have dealt with Indians. None is more relevant to the inquiry you have today than the 3 years I spent as Superintendent of the Colville Indian Reservation.

I was hired as superintendent in a different way than most superintendents are hired. Usually the area director makes a choice. He is the direct employee of the area director. In this case the Colville Tribe exerted its influence. They sought me out. They influenced Commissioner Bruce in the early days of his commissionership to appoint me. I arrived on the scene without the blessing of the area director. He let me know about it. He said I would not have the cooperation of his office and that it would be very difficult for me.

Perhaps that is the best thing that ever happened to me. I was able to operate in a very autonomous way. With the help of the tribe, I sought all delegations of authority that I could possibly get to the local level. We were able to bring the staff together. That was no mean task.

The staff function, with their colleagues in the area office, was very difficult to break. I had a tough time getting them to stop their morning chat with the area office and getting their directions here.

Chairman ABOUREZK. Who was the area director?

Mr. BROADHEAD. Dale Baldwin.

Chairman ABOUREZK. Where is he?

Mr. BROADHEAD. He is retired. He retired 2 or 3 years ago.

Dale had been in the Bureau for many years, first as a superintendent and then as an area director.

The policy that we went under was much like a board of directors and a general manager or an operational unit, with the tribal council being the board of directors.

With the area director out of the way, this worked very smoothly because we did not have two masters to answer to, so to speak. However, there were some areas where I was not able to get a delegation of authority. There were matters of funds and funds distribution which were very difficult. But I had contacts in the central office. It is not all that difficult to talk to people with modern communications and to go beyond that.

It was a very satisfying experience from the standpoint of some of the staff which was there. I was able to bring around some to see that the real need of the technicians was to work with the tribes to carry out the needs of that reservation rather than some remote control and serving some other master. After these fellows had worked for 2 or 3 years, they became pretty good at this and they took great satisfaction. Also, people who had been 15 or 20 years in the Bureau said that that was the most satisfying 2 years that they had ever had because they really saw a purpose in their work. They just did not go to work in the morning and satisfy somebody else's need; they really satisfied a need in themselves in seeing things done and a result happening.

I really think that some of the successes that the Colville Tribe has had in the past few years—and there have been many—were not due to any great talent that I had. It was due, in some respects, to being able to get the area office out of the way so the decisions could be made and so that they could come to grips with the real problems facing reservations.

How many times have we heard announcements coming from executive officials, Presidents, Interior Secretaries, and Commissioners that basic change is being made in the policy or structure of the Bureau of Indian Affairs? How often do we hear that the Bureau policy is self-determination?

Yet, the more we talk of a change, the less change we actually see take place in the field.

Why is this so? It is because the policies and structural changes never reach the service delivery area. They never reach the agency.

The executive officials, often newcomers to the bureaucracy and especially one of the oldest bureaucracies in the Government—the Bureau of Indian Affairs—fail to come to grips with a very effective filter or buffer—the area office.

They are not able to recognize the sophistication of the area managers, who have mastered the art of survival management. Such concepts as self-determination or contracting, if successful, would undermine the power base of the area director and his area managers. They have learned to speak the language of several past administrators, yet they have just as effectively prevented the changes.

An area manager skilled at survival management can appear to be all things to all people. He gets along well with officials of other agencies as well as State officials because he is most cooperative with them, often at the expense of program funds intended for tribes or, even more detrimental, he can provide these agencies with information or strategy in the other agencies' grasp for Indian resources.

Area managers almost always have the cooperation and support of the superintendent branch chiefs and technical staff of the agencies because they control such important personnel actions as promotions, transfers, and staff hire at the agency. They allocate program funding, and even a novice survival manager knows how to hold back funds to distribute as rewards in times of need.

In addition, area meetings of various disciplines are held at certain spots where entertainment is available and they talk things over. They laugh at and deride the pronouncements coming out of the administration and plot to overcome the latest effort by the administration to bring about change. A real sense of brotherhood exists in this atmosphere of survival, and a kind of mutual loyalty is built that often obscures other considerations.

The area manager has been able to exercise his management of survival with tribal leaders as well. His bundle of carrots and sticks is endless. If a tribe is cooperative, special funds are found to meet special tribal projects. Tribal actions such as changes in law and order codes or attorneys contracts are quickly approved, and perfect harmony exists as long as these tribes do not take the Commissioner or other Federal officials with pronouncements of change too seriously.

They compliment and support the area director, of course. On the other hand, some tribal leaders speak out in favor of change. They try to contract programs or seek to exercise their authority that may cause area managers and superintendents problems with State authorities, other agencies, or force them to answer congressional affairs.

Approval of tribal action is often delayed or has to be changed. Attorney contracts are nitpicked and funds for needed programs never seem to be available. Inflation forces cutbacks in last year's program, and building programs are postponed.

A special survival technique has been perfected between many area directors and superintendents. It goes like this. The superintendent disagrees with a tribal action that requires Bureau approval. Yet, if he would disapprove the action, he would have to explain his action to the council and perhaps suffer their displeasure. After all, he has to live there, so he works a deal with the area director. The area director says, "You go ahead and recommend it and send for me; and I will disapprove it."

The superintendent stays in good graces with the tribe, and he owes strong support to the area director. Perhaps the superintendent can convince the tribe to pass a resolution favoring the area director if someone tries to unseat him.

With these kinds of developed mechanisms holding the remnants of the old Bureau together, it is really no wonder that the transient administrations do not tamper with the filter and are satisfied to sit back and bask in their pronouncements.

I want to make a few things clear.

First, these experts at survival management are neither Democrats nor Republicans. They treat all administrations who propose change with equal disdain.

Second, all the people within the area office and many people in agency offices are not part of this survival system. Some of them even make waves and suffer the consequences.

Third, I do not intend to be critical of tribal leaders whether they cooperate or fight. I believe they best know the needs of the people. Usually they are very aware of consequences that not only will befall them but also the people they serve. They are between a rock and a hard place, in other words.

The Bureau of Indian Affairs management study is right on target when they state: "will be possible to eliminate the position of area director and replace it. At present, these employees interpose between central programs development activities and agency service delivery functions; as a result they restrict communications and inhibit rather than enhance the Bureau's overall effectiveness."

Obviously, Warren King & Associates could not have learned about all the survival management techniques, but they had insight with what the result is when these survival techniques are exercised.

I would like to make a couple of other comments.

I believe the management study was too kind in their discussion of the funding. I think the band analysis system is a fraud; it should not be called that. It makes Indians think they have an input when, in fact, the determinations are already made. It is used as a handy mechanism when the Bureau has failed to meet its commitment. They can then come back and say to the tribe, "You did not put it on the band." So, it is a kind of scapegoat.

It certainly does not mean that the spirit of the Indian Reorganization Act provisions regarding tribal budgets, which is to bring the budget process out in the open. The band mechanism serves only the bureaucracy and not the tribe. It further obscures where the bulk of funds are being spent.

On the matter of the Solicitor's office, I have to respectfully disagree with Mr. Chambers. I perhaps saw it from a different angle. I saw it from a superintendent's angle.

In attempting to be an advocate, I was very often without the legal research that was needed. I did not dare call the regional solicitor because he also worked for the Park Service. He also worked for the Bonneville Power. Those are the questions I wanted to ask him about. How come they were using tribal resources? So, his conflict prevented it from being a useful resource.

At the earlier point in time, the Associate Solicitor was not useful to me.

Mr. Chambers came along and filled the post very well. Perhaps he filled the vacancy.

However, I think there is another point that needs to be considered here.

As we pointed out this morning, the Bureau of Indian Affairs does not seem to be a very professional agency. They seem to say, "Well, we do not know. We are not lawyers. We cannot decide that."

I think they have to be made a professional agency. I think the impact of somebody like Mr. Chambers, as General Counsel to the Bureau of Indian Affairs, could go a long ways to making that agency professional. He could demand better technicians to work up the cases and to develop the resource issues.

For too long, the Bureau of Indian Affairs has been able to settle for less and less. Recently this whole claims matter before the Congress—there are so many hidden claims. They are there because the Bureau of Indian Affairs does not have the competence to bring them out into the open and develop them.

I think the department has an obligation to do that. There must be some mechanism set up to do it.

I have one other thing that I think should be said. I do not think this was emphasized in the same way that I would like to emphasize it, which is that aspect of the management study. I am talking about management training. I think a great many superintendents are sympathetic with tribes. They would like to be very helpful.

However, they do not have the background as to the concepts of sovereignty, jurisdiction, and trust responsibility. They do not understand the proper role of the Bureau and where it could move.

I think that providing these kinds of tools to the administrators in the Bureau of Indian Affairs would bolster their self-confidence. I think they can become the kind of advocates that the tribes are asking for.

I would respond to questions, Senator.

Chairman Abourezk. I want to say that this is excellent testimony. It is the kind that is needed, and it is very helpful. You have had the kind of experience of the area offices and it is very helpful.

I ask a member of the staff to give a copy of your statement to the Bureau staff person. I will ask that a copy be sent to the President's reorganization staff. They were here this morning, but I did not see them here this afternoon. I think those statements will be helpful to them.

What you have just testified to has been a matter that has been suspected by a great many people for a long time. There is survival management in the area offices and not Indian management.

It does seem that whatever direction that an administration may want to take, it always becomes frustrating before it gets down to the level where the help is really needed; that is at the tribal level.

The system of rewards and punishment for those people who try to unseat area directors or threaten their position is one that has been in existence for a long time.

As chairman of the Indian Affairs Subcommittee, representing Interior, and as chairman of the full Senate Indian Committee that we have just created this year, I have seen the results of the politicking that has gone on in the area offices. It is a consistent effort on the part of area directors to lobby the Indian tribes into opposing things that the Indian tribes themselves might want at the outset. Through this system of rewards and punishment there are always enough tribes who are frightened for their own position. So, those tribes can be talked into coming out in opposition to programs that would greatly benefit them. This is out of fear of being cut off, I guess, by the area offices.

There is no more furious kind of politicking that goes on than that done by the area offices when they want to stop something.

Mr. Broadhead. There is about 150 years of training that goes into the survival management. They have been surviving for that long in that kind of a way. There have been a lot of charges from Congress about the corruptness and the misuse of funds over the years within the Bureau of Indian Affairs. But they have always been able to weather those storms because of the survival mechanism. It is a pretty brave tribe that will speak up in support of a move to get rid of the area offices when the area office is putting pressure on them to say otherwise.

I would advise any administration that is going to make such a move as to disband area offices to make the move and then announce it.

Chairman Abourezk. Do it quickly?

Mr. Broadhead. After it is announced and the area director has lost his power, which is a power relationship, then you can do something.

The Congress and the administration can then give the area director the power to hold over the Indians; that is, by giving him the funds and the approval power of any of their actions.

Chairman Abourezk. We have no more questions.

I want to express my thanks for your testimony. It was a good forthright statement. We appreciate it very much.

Our hearings are recessed, subject to the call of the Chair.

[Whereupon, at 3 p.m., the committee recessed, subject to the call of the Chair.]

BUREAU OF INDIAN AFFAIRS ORGANIZATION

MONDAY, AUGUST 1, 1977

U.S. SENATE,
SELECT COMMITTEE ON INDIAN AFFAIRS,
Washington, D.C.

The committee met, pursuant to notice, at 9:05 a.m. in room 5302, Dirksen Senate Office Building, Senator James Abourezk (chairman of the committee) presiding.

Present: Senator Abourezk.

Staff present: Ernest L. Stevens, staff director; Alan Parker, chief counsel; Karl Funke, assistant counsel; and Michael Cox, minority counsel.

Chairman ABOUREZK. The committee will come to order.

This oversight hearing is one in a series on administration and management of Indian affairs.

The purpose of the hearing today is to take testimony from governmental witnesses on the administration and management of Indian affairs by the Department of the Interior and its various bureaus and divisions. On July 13, we heard testimony from nongovernmental witnesses concerning their views on administration and the American Indian Policy Review Commission's findings and recommendations concerning the same.

Additional hearings will be held with regard to the Federal budget process in relation to Indian affairs, Federal Indian domestic assistance programs, and the independent Indian agency concept. The American Indian Policy Review Commission has identified several areas of concern and have developed recommendations for the improvement of the administration and management of Indian affairs.

We hope that the hearings today will assist both the committee and the executive branch in identifying problems and deficiencies.

We would like to acknowledge the conscientious efforts which the Department and Bureau have undertaken in responding to the committee's inquiries. The oversight activities of the committee represent an intensive effort to see that the needed changes are actually brought about. We anticipate that these hearings will constitute a point of departure for continuing followup with the Department regarding major problems which have been identified. This close coordination between the committee, its staff, and the Department and its staff is necessary if we are not to lose sight of the objectives.

Finally, I would emphasize that our efforts on the committee are a responsibility mandated by the establishment of the American Indian Policy Review Commission. It is the culmination of 3 years of comprehensive investigative work when Congress jointly created the American Indian Policy Review Commission.

The first and only witness this morning will be Under Secretary of the Interior, James Joseph.

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Mr. Joseph, I would like to welcome you once again to the committee. I see that Mr. Butler is with you.

So, if you are ready to proceed, then go right ahead.

Your prepared statement will be placed in the record in its entirety.

[The prepared statement of Mr. Joseph follows:]

STATEMENT OF HON. JAMES A. JOSEPH, UNDER SECRETARY, DEPARTMENT OF THE INTERIOR

Mr. Chairman and members of the Commitee, we appreciate the opportunity to appear before you today to discuss the "Bureau of Indian Affairs Management Study" which was done at the direction of the American Indian Policy Review Commission and conducted by Warren King and Associates, Inc., under the chairmanship of Mr. A. T. Anderson.

We have reviewed the Management Study in the context of the Commission's complete report and recommendations, with particular attention to Chapter Six, "Federal Administration of Indian Policy."

This Department and the Administration are fully aware of the unique status of the Indians as beneficiaries of the trust relationship owing to them by the United States. We are fully committed to the fulfillment of that trust in terms of protecting valuable Indian lands, water, minerals and other natural resources. We are equally committed to the strongest possible development of tribal governments to assure that the goal of self-determination is fully accomplished with meaning and substance.

The Bureau of Indian Affairs has been designated by law to serve as the organizational entity in the discharge of a major share of the trust resposibilities to the Indian people. It is essential, therefore, that any contemplated reorganization of the Bureau be undertaken with the goal of strengthening that vital function.

The Secretary, myself and the Assistant Secretary for Indian Affairs will be working closely with the President and his Reorganization Team to insure the most effective administration of Indian policy and programs. In this process, we will give considerable weight to the recommendations contained in the Management Study and in the Commission's Report.

The Management Study states that for more than 150 years American Indians have been critical of the services provided by the United States Government. It also indicates that repeated studies have identified deficiencies of the management of the Federal system as a leading factor in the distrust and dissatisfaction expressed so often by the Indian people, the Congress, and the public at large. The Study thus suggests that implementation of the management improvement recommendations contained therein will lead to significant financial benefits and also result in improved relations between the Federal Government and the Indian Community.

We agree that many of the management problems identified in the Study continue to exist. Thus, a priority concern of this Administration in its overall Reorganization efforts must be extensive improvement in the management of Indian programs. Secretary Andrus and I are both convinced that this can be done in a manner which will make the Federal Government a leaner, more efficient organization and also more responsive to Indian needs.

However, we are aware of the challenges presented in achieving these objectives. Though small in comparison to the total population of our country, the Indian tribes are nonetheless spread from coast to coast, and face a wide variety of problems which are difficult to resolve. It would be a mistake therefore for us to rush into structured changes in the Bureau of Indian Affairs without careful planning. We intend to make major changes, but we want to insure that they do not cause major interruptions in the flow of services to Indian people, and that this true spirit of self-determination is fulfilled by seeking active participation from the Indian community throughout this process.

The Management Study proposes 23 specific recommendations for improving management activities in the Bureau. In general they fall into the three major categories: the budget process, personnel management, and management information. We are submitting a discussion of recommendations, which indicates the status of action already taken. However, let me at this time comment briefly on the recommendations concerning the budget process and organization structure.

BUDGET PROCESS

In my view, the seven recommendations covering the Bureau's budget process constitute a significant portion of the study. Two very important ideas underlie these recommendations.

The first idea is that program effectiveness would improve if budget decisions were based on long-range planning. The study suggests that Bureau planning and budgeting functions be merged. It also recommends that tribal involvement in BIA budget formulation be based on local comprehensive planning. I agree that the relationship between planning and budgeting needs to be strengthened.

The second major idea in these recommendations is that the budget process can be altered to increase the opportunities for Tribal Self-Determination. I feel there is considerable potential for using tribal involvement in the budget process as an instrument of Self-Determination, and I am currently working with the tribes and the Bureau to exploit this potential fully.

ORGANIZATION STRUCTURE

In our view, the most important aspect of the Management Study pertains to the organizational structure of the Bureau. It charges that the present structure results in excessive administrative costs, slow decision making, and poor communications both within the Bureau and with the respective tribes. The Study particularly singles out the area offices and indicates that they are a major factor in the failures of the Bureau.

To remedy the situation, the Study proposes a new organizational structure for the Bureau. Area offices as they now exist would be eliminated and replaced by regional service centers. The role of Agencies would be expanded to that of local service centers with increased authority and responsibility. Functional authority for specific program operations would flow directly from the program managers in the central office. The primary function of the regional service centers would be to provide administrative support and technical assistance to the local service centers and special projects.

Although this Administration has not yet formulated a specific new organizational structure for the Bureau, we completely agree that in order to effectively carry out its trustee functions and to fully implement Public Law 93-638 the Bureau must organize itself for a new primary role as a technical assistance agency. We also agree that (1) administrative overhead can and should be reduced so that more funds are available for programs in Indian communities; (2) maximum decision making authority should exist at the local agency or service center level; and (3) intermediate levels of activity which constrict the flow of services and slowdown decision making should be streamlined and eliminated where not justified.

The one area in which we need additional interpretation by those who conducted the study is in the recommendation that the supervision of functional program activities in the central office should be strengthened and more effective monitoring evaluation and audit activities must be achieved. We wonder if it is not inconsistent to recommend a stronger reporting line to the central office while at the same time advocating greater decentralization through tribal control. We know that those who conducted the Study have given considerable thought to how the Bureau can achieve this delicate balance so we will need to seek additional comment from them.

We are impressed by the thought which has been given in the Study to the overall objective of improving the effectiveness of the Bureau of Indian Affairs. The first important decision made by the Secretary reflected one of the recommendations of the Study as we moved immediately to upgrade the position of Commissioner of Indian Affairs to that of Assistant Secretary of the Interior for Indian Affairs. This is more than a symbolic change in title. It means that the head of the Bureau will be a member of the Department's policy team and will participate in all policy deliberations. He will not be restricted simply to policy decisions which have direct and obvious impact on the Indian Community. For example, he will now have a chance for an input on decisions which govern the operations of the Bureau of Reclamation, the Bureau of Land Management, the National Park Service and other Bureaus which have often been in conflict with the objectives of the Bureau of Indian Affairs.

With regard to the recommendation to eliminate the area offices, we are aware of the extensive criticism aimed at these offices and agree that fundamental rather than cosmetic changes are needed. We intend to make those changes.

However, the transfer of these functions to the central office and regional and local service centers will require detailed planning in order to insure that the transfer occurs with minimal interruption of essential services. We must carefully consider the ability of the central office to respond directly and effectively to the needs of each of the 80 local agencies and the more than 400 tribal units which they serve. We are well aware that the closure of some offices would affect local personnel and economies and this will be an important consideration. We will consult closely with the Committee and members of Congress as to these impacts.

The Policy Review Commission held extensive hearings in Indian country and its findings and recommendations reflect the expressions of a broad segment of Indian people. Indian tribes were offered an opportunity to comment on the draft of the final report. We strongly reiterate our intent to listen to and involve Indian people before any major decisions that affect them are made. As a first step, we would greatly appreciate the Commission's sharing with us the comments received on the Management Study portion of the Report.

IMPLEMENTATION

Both the Study and the Commission's Report express concern for proper follow-up so as to insure that the needed improvements in Bureau management occur. We share that concern and assure the Committee that it is our full intent that proper followup will take place. To accomplish this, we plan to take the following actions in the near future to guide us in implementing the improvements envisioned by the Study.

First, a task force will be appointed to work directly with the Under Secretary and the Assistant Secretary for Indian Affairs in reorganizing the Bureau. They will have direct access to the Secretary through the Under Secretary and will be charged with advisory responsibility for effecting the management improvements in the major areas covered by the functional report section of the Study, as well as others which might be identified as their activity progresses.

The composition of the task force is not yet set, but it will include several representatives from the Indian community, experienced organizational management experts from the private sector and at least two senior management officials within the Bureau who have a proven record of amicable working relationships with the Indian Community.

Second, the Office of the Secretary will assume an overall role in a continuing review of the recommendations of the Policy Review Commission, and particularly those aspects relating to the future organization and structure of the Bureau. Recognizing that my day-to-day responsibilities and those of the Assistant Secretary of the Interior for Indian Affairs will preclude our providing full-time direction to this effort, a Special Assistant to the Under Secretary will be appointed to assist us in coordinating the work of the task force and the overall planning for the reorganization of the Bureau.

Third, the implementation of the reorganization of field operations will be under the direction of the Assistant Secretary for Indian Affairs assisted by Departmental personnel from a variety of areas.

Fourth, the Assistant Secretary for Program, Budget and Administration will provide staff support for the planning and implementation of all changes in the budget process.

Fifth, the Assistant Secretary for Indian Affairs will be a member of the advisory Task Force on BIA Reorganization and will exercise overall responsibility for implementation of Secretarial policy, but a primary initial responsibility will be to insure that there are no interruptions in present services while reorganization is taking place.

Sixth, the implementation process will include direct involvement by the Secretary, as well as myself and the Solicitor. We will be working with Assistant Secretaries and others in the Office of the Secretary to give renewed attention to Indian Affairs as a major departmental priority. This is a commitment we have affirmed to all of the Bureaus in the Department as well as to Indian tribes and the American public.

Seven, we will continue to use the Management Study to help achieve management improvements in the Bureau. We recognize that the Study did not anticipate or recommend the completion of reorganization immediately. Sufficient planning must be done to insure continued services. But we are convinced that a genuine rather than cosmetic reorganization is long overdue and we plan to move as expeditiously as possible.

Eight, we intend to consult regularly with this Committee and its staff as we seek together to insure that the major Federal agency serving Indian people is managed in such a way as to serve the best interests of its constituents.

During his several interviews with the Secretary and myself, the Assistant Secretary of the Interior for Indian Affairs designate expressed his strong belief that a well-planned and executed reorganization of the Bureau was an absolute necessity in order to fulfill our Nation's moral and legal commitments to the Indian people. I am pleased to assure this Committee that we have his full support in the action proposed. However, it should be understood that until we have an Assistant Secretary confirmed and in place, it will be difficult to undertake the reforms the American Indian Policy Review Commission proposes.

STATEMENT OF JAMES A. JOSEPH, UNDER SECRETARY, DEPARTMENT OF THE INTERIOR, ACCOMPANIED BY RAYMOND V. BUTLER, ACTING DEPUTY COMMISSIONER, BIA, DEPARTMENT OF THE INTERIOR

Mr. JOSEPH. Thank you, Mr. Chairman. We appreciate the opportunity to appear before you today to discuss the Bureau of Indian Affairs management study which was done at the direction of the American Indian Policy Review Commission and conducted by Warren King & Associates, Inc., under the chairmanship of Mr. A. T. Anderson.

I have brought with me Mr. Ray Butler, who is Acting Deputy Commissioner of the Bureau of Indian Affairs. After I have completed my prepared statement we will be pleased to answer questions. As far as questions that relate to the present and future, I will be pleased to answer those myself or Mr. Butler will. Questions that relate to the past performance of the Bureau of Indian Affairs can be answered by people in the audience whom I would be pleased to call.

Chairman ABOUREZK. We do not have time for those. [Laughter.]

Mr. JOSEPH. We have reviewed the management study in the context of the Commission's complete report and recommendations, with particular attention to chapter six, "Federal Administration of Indian Policy."

This Department and the administration are fully aware of the unique status of the Indians as beneficiaries of the trust relationship owing to them by the United States. We are fully committed to the fulfillment of that trust in terms of protecting valuable Indian lands, water, minerals, and other natural resources. We are equally committed to the strongest possible development of tribal governments to assure that the goal of self-determination is fully accomplished with meaning and substance.

The Bureau of Indian Affairs has been designated by law to serve as the organizational entity in the discharge of a major share of the trust responsibilities to the Indian people. It is essential, therefore, that any contemplated reorganization of the Bureau be undertaken with the goal of strengthening that vital function.

The Secretary, myself, and the Assistant Secretary for Indian Affairs will be working closely with the President and his reorganization team to insure the most effective administration of Indian policy and programs. In this process, we will give considerable weight to the recommendations contained in the management study and in the Commission's report.

The management study states that for more than 150 years American Indians have been critical of the services provided by the U.S. Government. It also indicates that repeated studies have identified deficiencies of the management of the Federal system as a leading factor in the distrust and dissatisfaction expressed so often by the Indian people, the Congress, and the public at large. The study thus suggests that implementation of the management improvement recommendations contained therein will lead to significant financial benefits and also result in improved relations between the Federal Government and the Indian community.

We agree that many of the management problems identified in the study continue to exist. Thus, a priority concern of this administration in its overall reorganization efforts must be extensive improvement in the management of Indian programs. Secretary Andrus and I are both convinced that this can be done in a manner which will make the Federal Government a leaner, more efficient organization and also more responsive to Indian needs.

However, we are aware of the challenges presented in achieving these objectives. Though small in comparison to the total population of our country, the Indian tribes are nonetheless spread from coast to coast and face a wide variety of problems which are difficult to resolve.

It would be a mistake, therefore, for us to rush into structured changes in the Bureau of Indian Affairs without careful planning. We intend to make major changes, but we want to insure that they do not cause major interruptions in the flow of services to Indian people, and that this true spirit of self-determination is fulfilled by seeking active participation from the Indian community throughout this process.

The management study proposed 23 specific recommendations for improving management activities in the Bureau. In general, they fall into three major categories: the budget process, personnel management, and management information. We are submitting a discussion of recommendations, which indicates the status of action already taken. However, let me at this time comment briefly on the recommendations concerning the budget process and then follow with comments on the organization structure.

In my view, the seven recommendations covering the Bureau's budget process constitute a significant portion of the study. Two very important ideas underlie these recommendations.

The first idea is that program effectiveness would improve if budget decisions were based on long-range planning. The study suggests that Bureau planning and budgeting functions be merged. It also recommends that tribal involvement in BIA budget formulation be based on local comprehensive planning. I agree that the relationship between planning and budgeting needs to be strengthened.

The second major idea in these recommendations is that the budget process can be altered to increase the opportunities for tribal self-determination. I feel there is considerable potential for using tribal involvement in the budget process as an instrument of self-determination, and I am currently working with the tribes and the Bureau to exploit this potential fully.

Now I want to comment on the organization structure.

In our view, the most important aspect of the management study pertains to the organizational structure of the Bureau. It charges that the present structure results in excessive administrative costs, slow decisionmaking, and poor communications, both within the Bureau and with the respective tribes. The study particularly singles out the area offices and indicates that they are a major factor in the failures of the Bureau.

To remedy the situation, the study proposes a new organizational structure for the Bureau. Under this new proposal, area offices as they now exist would be eliminated and replaced by regional service centers. The role of agencies would be expanded to that of local service centers with increased authority and responsibility. Functional authority for specific program operations would flow directly from the program managers in the central office. The primary function of the regional service centers would be to provide administrative support and technical assistance to the local service centers and special projects.

Although this administration has not yet formulated a specific new organizational structure for the Bureau, we completely agree that in order to effectively carry out its trustee functions and to fully implement Public Law 93-638 the Bureau must organize itself for a new primary role as a technical assistance agency.

We also agree that:

1. Administrative overhead can and should be reduced so that more funds are available for programs in Indian communities;
2. Maximum decisionmaking authority should exist at the local agency or service center level; and
3. Intermediate levels of activity which constrict the flow of services and slowdown decisionmaking should be streamlined and even eliminated where not justified.

The one area in which we need additional interpretation by those who conducted the study is in the recommendation that the supervision of functional program activities in the central office should be strengthened and more effective monitoring evaluation and audit activities must be achieved.

We wonder if it is not inconsistent to recommend a stronger reporting line to the central office, while at the same time advocating greater decentralization through tribal control. We know that those who conducted the study have given considerable thought to how the Bureau can achieve this delicate balance so we will need to seek additional comment from them.

We are impressed by the thought which has been given in the study to the overall objective of improving the effectiveness of the Bureau of Indian Affairs. The first important decision made by the Secretary reflected one of the recommendations of the study as we moved immediately to upgrade the position of Commissioner of Indian Affairs to that of Assistant Secretary of the Interior for Indian Affairs.

It is important to point out this is more than a symbolic change in title. It means that the head of the Bureau will be a member of the Department's policy team and will participate in all policy deliberations. He will not be restricted simply to policy decisions which have direct and obvious impact on the Indian community. For example, he will now have a chance for an input on decisions which govern the operations of the Bureau of Reclamation, the Bureau of Land Management, the National Park Service, and other bureaus which have often been in conflict with the objectives of the Bureau of Indian Affairs.

With regard to the recommendation to eliminate the area offices, we are aware of the extensive criticism aimed at these offices, and agree that fundamental, rather than cosmetic, changes are needed. We intend to make those changes.

However, the transfer of these functions to the central office and regional and local service centers will require detailed planning in order to insure that the transfer occurs with minimal interruption of essential services. We must carefully consider the ability of the central office to respond directly and effectively to the needs of each of the 80 local agencies and the more than 400 tribal units which they serve. We are well aware that the closure of some offices would affect local personnel and economies and this will be an important consideration. We will consult closely with the committee and Members of Congress as to these impacts.

The Policy Review Commission held extensive hearings in Indian country and its findings and recommendations reflect the expressions of a broad segment of Indian people. Indian tribes were offered an opportunity to comment on the draft of the final report. We strongly reiterate our intent to listen to and involve Indian people before any major decisions that affect them are made. As a first step, we would greatly appreciate the Commission's sharing with us the comments received on the management study portion of the report.

Chairman **Abourezk**. Let me interrupt. I think we provided all of that.

Mr. **Joseph**. I will have to check it. It was not my understanding.

Chairman **Abourezk**. I asked the staff about that this morning. They said we did. If not, we will certainly be able to.

Mr. **Joseph**. Thank you very much, Mr. Chairman.

Finally, I want to conclude with a word about implementation of the recommendations.

Both the study and the Commission's report express concern for proper followup so as to insure that the needed improvements in Bureau management occur. We share that concern and assure the committee that it is our full intent that proper followup will take place. To accomplish this, we plan to take the following actions in the near future to guide us in implementing the improvements envisoned by the study.

First, a task force will be appointed to work directly with the Under Secretary and the Assistant Secretary for Indian Affairs in reorganizing the Bureau. They will have direct access to the Secretary through the Under Secretary and will be charged with advisory responsibility for effecting the management improvements in the major areas covered by the functional report section of the study, as well as others which might be identified as their activity progresses.

The composition of the task force is not yet set, but it will include several representatives from the Indian community, experienced organizational management experts from the private sector, and at least two senior management officials within the Bureau who have a proven record of amicable working relationships with the Indian community.

Second, the Office of the Secretary will assume an overall role in a continuing review of the recommendations of the Policy Review Commission, and particularly those aspects relating to the future organization and structure of the Bureau. Recognizing that my day-to-day responsibilities as Under Secretary and those of the Assistant Secretary of the Interior for Indian Affairs will preclude our providing full-time direction to this effort, a special assistant to the Under Secretary will be appointed to assist us in coordinating the work of the task force and the overall planning for the reorganization of the Bureau.

Third, the implementation of the reorganization of field operations will be under the direction of the Assistant Secretary for Indian Affairs assisted by departmental personnel, not only from the Bureau of Indian Affairs, but from a variety of areas.

Fourth, the Assistant Secretary for Program, Budget, and Administration will provide staff support for the planning and implementation of all changes in the budget process.

Fifth, the Assistant Secretary for Indian Affairs will be a member of the Advisory Task Force on BIA Reorganization and will exercise overall responsibility for implementation of secretarial policy, but a primary initial responsibility will be to insure that while reorganization is taking place, there are no interruptions in present services while reorganization is taking place.

Sixth, the implementation process will include direct involvement by the Secretary, as well as myself and the Solicitor. We will be working with Assistant Secretaries and others in the Office of the Secretary to give renewed attention to Indian affairs as a major departmental priority. This is a commitment we have affirmed to all of the bureaus in the Department as well as to Indian tribes and the American public.

Seventh, we will continue to use the management study to help achieve management improvements in the Bureau. We recognize that the study did not anticipate nor recommend the completion of reorganization immediately. Sufficient planning must be done to insure continued services. But we are convinced that a genuine, rather than cosmetic reorganization, is long overdue and we plan to move as expeditiously as possible.

Eighth, we intend to consult regularly with this committee and its staff as we seek together to insure that the major Federal agency serving Indian people is managed in such a way as to serve the best interests of its constituents.

During his several interviews with the Secretary and myself, the Assistant Secretary of the Interior for Indian Affairs designate expressed his strong belief that a well-planned and executed reorganization of the Bureau was an absolute necessity in order to fulfill our Nation's moral and legal commitments to the Indian people.

I am pleased to assure this committee that we have his full support in the action proposed. However, it should be understood that until we have an Assistant Secretary confirmed and in place, it will be difficult to undertake the reforms the American Indian Policy Review Commission proposes, and the reforms that the Secretary and I are committed to.

Mr. Chairman, that concludes my prepared statement. At this point I would be pleased to answer any questions.

Chairman ABOUREZK. My first question is this.

Is your last paragraph known as subtle pressure to get confirmation?

Mr. JOSEPH. The last paragraph, Mr. Chairman, is known as "reality affirmation."

[Laughter.]

Chairman ABOUREZK. Mr. Joseph, in my short tenure in dealing with Indian affairs within the Congress, there have been numerous efforts at reorganization, most of them cosmetic and most of them holding out great promises. It is my personal opinion that it appears that you are prepared—and I emphasize the word "prepared"—to go further than any other administration that I personally have dealt with.

I want to get in a couple of questions along that line and try to distinguish between somebody being prepared to do something and someone actually doing it.

We have had testimony before this committee from former BIA employees, in addition to the many conversations I have had with former BIA employees, who say—and I guess the best way to describe it is this—that the area directors, ever since their rise to power, have always practiced what is now known as "survival management." This is not "Indian management" but "survival management" and survival of their own power centers.

It works something like this, according to the descriptions given to this committee. Whenever there are any complaints or criticisms by Indian tribes of the area directors themselves and their failures, an effort to maintain themselves is made. The area directors will begin to withhold Federal funds to those tribes which decide to undertake the criticism of the area directors.

Once they are brought in line by the withholding of funds or the threat of that, then it is "business as usual" which means hardly any business at all.

For those tribes who support the area directors, rewards are handed out; that is, quick approval of projects for funding and so on.

So the criticisms have always been sort of underground criticism that never surface in an official way.

I understand that you have to make a plan, and you have to have certain preparations, because none of this can be done overnight or abruptly. But I am wondering if during that time, the longer the time it takes, will it not become increasingly difficult to undertake the real reorganization by virtue of the fierce politicking that will go on by the area directors and their efforts to obtain support of the tribes for retention of the present system? And, in addition, support in opposition of any kind of reorganization which would diminish the area directors' power? I assume you have thought about that. Do you have anything in mind that might overcome that particular opposition?

Mr. JOSEPH. Mr. Chairman, what you say is certainly true in a number of instances. In a bureaucracy of 18,000 people, I suspect that you could repeat that time and time again. In the Bureau of Indian Affairs, it is probably even more so than most bureaucracies, but it could happen in any bureaucracy.

Bureaucracies have their own built-in momentum. That momentum resists changes very often to that bureaucracy. We recognize the difficulty. The same thing is said of the Department of the Interior which you have just said of the Bureau of Indian Affairs. There are people who have told me that it would be a waste of time to try to change that bureaucracy because of the built-in resistance.

I have no assurance that I can offer except that we are seriously committed to do that. The management style that the Secretary and I practice will indicate that wherever we find this resistance we will remove it immediately.

As far as manifestations of that resistance in concrete personalities is concerned, we have not yet been able to identify that so that we would have a particular person to move. But as we move into that reorganization, if we find people resisting, we will remove them.

Chairman ABOUREZK. To indicate how serious you are about this kind of reorganization—and I think you have already committed yourself to changing the area director system—let me say this.

Is it correct that you committed yourself to changing that down to a regional service center system rather than an area director system?

Mr. JOSEPH. I think I had better make sure that I carefully understand. I do not want to have a lot of nervous people before we have a plan which is concrete. [Laughter.]

We are committing ourselves to significantly changing the area directors and the area office concept around the concept that is proposed as we understand what you mean by "regional service centers."

I am not saying that we are immediately abolishing area offices. The technical assistance concept is the one that we propose to adopt. Any field operation that we have should be around the concept of technical support and the service center concept which this committee has proposed. That is what we plan to implement.

Chairman ABOUREZK. In that regard, you state that decisionmaking authority would—let me read your exact statement: "Maximum decisionmaking authority should exist at the local agency or service center level."

It seems to me that does not change much if you leave the decisionmaking authority at the upper level. Do you intend to allow the line authority to be retained at the service center level?

Mr. JOSEPH. In this particular paragraph, I am agreeing with the recommendations of the committee with regard to maximum decision authority being at the lowest level, rather than the central control at the office, or particularly, at the area office.

Chairman ABOUREZK. I think the Commission report talks about the local service center decisionmaking, not regional service center.

Mr. JOSEPH. This is local agency. It is not regional. This is not regional.

Chairman ABOUREZK. I see. You do not intend to invest line authority at the regional level, do you?

Mr. JOSEPH. No; but let me say something here. There is proposed in the management study, called matrix system of management, in which each person has his dual reporting relationship.

Mr. Chairman, that is one of the areas in which I have some questions about the nature of organization. I have spent the last 8 years in the management of a large international corporation with 20,000 employees. I firmly believe that somebody has to be in charge and somebody has to be held accountable. I do not like the idea of diffusing that accountability.

When somebody is obstructing the policy of the Secretary or the Bureau, then I want to know who that person is and who to deal with. The concept of having two bosses sometimes makes that very ambiguous.

So what I am saying is that I think there ought to be some authority down there so that you know who to hold accountable.

Chairman ABOUREZK. I cannot argue with that. I think that is a better way of doing things.

I understand that you are committed to adopting this regional service center. If you intend, then, to adopt this concept or proposal, you intend to change the area office concept to that regional center, is there not a very simple and easy way to avoid the kind of politicking that we both know will take place? Even though you have not seen it, it is there. I understand from people I have talked with, that it is in a furious pace right now.

Is there not an easier way to do that in immediately relieving area directors of their authority to hand out money, to give rewards, or withhold money and to offer punishment for tribes who either support or oppose their position? This, I hope could be done without disrupting the services to the tribes. Is that not an easier way?

Mr. JOSEPH. That is one of the options that we are certainly considering and will consider. I am very concerned not to cause any more confusion than there already is. I met with the area directors and I shared with them my concern and my basic commitment to the concept of regional service centers. They understand what that commitment is and when we find people withholding money and seeking to punish tribes, we will deal with them.

Right now, I am not certain that adopting an overall policy which says they will not handle any money will not hurt more than it will help. That is my concern.

Chairman ABOUREZK. Is there a way that the tribes will know that they no longer need to fear that system of reward and punishment?

Mr. JOSEPH. I am not sure, but I am willing to do whatever is necessary or whatever I can to communicate that, that is, that we will not tolerate that. Wherever it occurs, we would like to know.

Chairman ABOUREZK. I really think the whole effort is this. I have seen this happen before when the area offices swing into full activity on maintaining their own position. I am not sure that even the best intentioned people, as I know you are—you and Secretary Andrus—can overcome that particular kind of lobbying.

I have to say that if you are really serious about it—and I happen to believe at this point that you are serious about it—then you have to do something more than just announce your intention to do it. That has been done 100 times before. There has to be some concrete way to show that you really mean business.

Mr. JOSEPH. I suspect that one of the ways to do that, Mr. Chairman, is to just set an example. If you have some concrete information where this is being done, I would certainly like to have it so we can do that.

Chairman ABOUREZK. You mean you want to set somebody down if that should be the case?

Mr. JOSEPH. You said that this is going on. I would like to know exactly where it is going on so I can deal with it.

Chairman **Abourezk.** I can put you in touch with people who will testify personally as to that, if you are interested.

Mr. **Joseph.** Yes.

Chairman **Abourezk.** I wonder, if at a very minimum, you would advise the Secretary to issue a policy statement indicating that is exactly what he intends to do. I think without that particular policy statement, and unless you make certain it is distributed to the tribes, without that kind of thing nobody is going to be very sure. I think the firmer you are in this sort of thing, the better off all of you will be as well as the Indian tribes themselves.

I wonder if you would comment on that.

Mr. **Joseph.** I need the information you have and a better understanding of the problem. As soon as I have that, I am quite willing to advise the Secretary to issue a policy statement prohibiting the use of funds in a punitive way, rather than in a supportive way.

Chairman **Abourezk.** As soon as these hearings are over, we will be able to sit down and discuss that briefly with you.

Mr. **Joseph.** All right.

Chairman **Abourezk.** What are your views on giving the Associate Solicitor for Indian Affairs independent referral authority?

Mr. **Joseph.** Independent referral authority?

Chairman **Abourezk.** Yes.

Mr. **Joseph.** Explain exactly what you mean there, please.

Chairman **Abourezk.** Well, right now if he wants to refer any kind of a lawsuit dealing with the trust responsibility to the tribes, it has to go through the Solicitor for the Interior Department. The competing forces within Interior sometimes prevent the Solicitor from referring that lawsuit to the Justice Department.

So, the interest of the tribes is generally thwarted because of that.

Now, if the Associate Solicitor for Indian Affairs had independent referral authority and could act as an advocate for the tribes: Would you be for or against giving him that referral authority to the Justice Department, independently of the Solicitor?

Mr. **Joseph.** Let me preface my comment with this comment. The Secretary has the trust responsibility for Indian affairs. He is the person that has to be held responsible. The Secretary's lawyer is the Solicitor. The way in which we have chosen to operate the legal office in the Department of the Interior, which is the Solicitor's office, is that he is the person responsible for recommendation to the Secretary, whether it is for transfer to the Justice Department or not.

The Solicitor, then, becomes the advocate. My position at this point is that is probably the best way for us to operate.

I recognize the problems that we have had in the past. I think that the one thing we did to preclude that was to select a Solicitor who understood what it means to be an advocate for Indian affairs. The Secretary clearly understands his trustee responsibility.

I think it confuses and complicates the matter to have a subordinate solicitor being able to go directly to other agencies without going through the Solicitor. It is just not good management practices.

But, I recognize the complications that are raised. That is why we selected a Solicitor who understands that.

Chairman **Abourezk.** May I ask some questions, then, about the task force that you intend to appoint to assist in undertaking reorganization? Do you have any intention to bring into that task force any of the management people who conducted the Policy Review Commission's management study?

Mr. **Joseph**. I do not know any of those people personally, Mr. Chairman. Certainly, as we look at management consultants and management experts who are willing to volunteer their time, of which there are a limited number, we want to look at those people. But I might add that in the last 7 or 8 years I have often been involved in the provision of management expertise and management organization expertise to nonprofit corporations. Most of those were southern nonprofit corporations. I know a few people in the business who are very good at management organization. I, at least, intend to go to some of these people to see if I can get them once again to volunteer their time.

Chairman **Abourezk**. Can you give the estimated time-frame within which you intend to undertake the reorganization?

Mr. **Joseph**. Mr. Chairman, that is very difficult to do, not the least of the factors being the uncertainty about when we will have somebody on board to head the organization that we are talking about reorganizing.

But, I would like to think that some of these things we can do pretty quickly. Others will take time. I think one of the first priorities in the reorganization effort is the area offices. Time and time again, when I have talked with Indian representatives, they have pointed to the area offices as the problem. One of my major commitments is to doing that first. I have no idea how long that will take, but I am committed to doing it as quickly as possible.

At this point I am in no position, until I can get the task force together and until we can do a realistic assessment. But what I would like to do, however, is once the task force is set up, I would work out a timetable for reorganization with objectives and dates. We plan to do this on a "this and this by a certain date" basis. I did not want to do that on my own. I would rather have this task force in place and the Assistant Secretary for Indian Affairs on board.

Chairman **Abourezk**. Do you have any idea yet who the senior management officials within the Bureau will be as members of that task force?

Mr. **Joseph**. No; I do not. I have not talked with any of the senior management officials. I have a couple of people in my mind. I would rather not say who they are at this point, but I would be glad to inform the committee beforehand if you would like that.

Chairman **Abourezk**. We would appreciate that.

Do you have any idea who you will appoint as representatives in the Indian community?

Mr. **Joseph**. No; but I would like to go to the major national organizations and get somebody who is involved. I would like at least one person who was involved in the American Indian Policy Review Commission.

Chairman **Abourezk**. In the management study itself?

Mr. **Joseph**. Yes.

Chairman **Abourezk**. Who will be the Assistant Under Secretary——

Mr. **Joseph**. The Special Assistant Secretary or the Special Assistant to the Under Secretary?

Chairman **Abourezk**. Yes.

Mr. JOSEPH. I do not know. We will start interviewing somebody for that. I would really like to have somebody who has no ideological taint of any kind, but who has management expertise. [Laughter.]

Chairman ABOUREZK. I would like to ask the staff counsel to ask a couple of technical questions.

Mr. FUNKE. Mr. Joseph, one of the recommendations of the management study in the report of the Commission was to set up a model regional service center, possibly in Denver, revamping the Indian Technical Assistance Center out there.

What are your views about setting up that model regional service center? How soon do you think it could be done if you plan to do it?

Mr. JOSEPH. I saw that recommendation when I read the report. I do not know enough about that center presently. I really need to find out more. The report says that it is a model. I am not that familiar with it. I need to familiarize myself with it. That is my first step. I want to try to understand if it expresses what the Secretary and I are committed to.

I think it probably does, but I have not yet had an opportunity to personally analyze its operation. As soon as we have had a chance to do that, then we can consider whether or not it is a model and whether or not it ought to be a model.

Mr. FUNKE. I think the report points out that in its present form it is not a model, but it could be revamped.

Mr. JOSEPH. Then the first thing is to make it effective. As long as it is out there operating as a center, we would like to make it effective.

Mr. FUNKE. Do you plan to set up a model regional service center at some point—whether it is in Denver—or do you plan on making across-the-board changes in all area offices which would become regional service centers?

Mr. JOSEPH. I would really like to move as quickly as possible to reorganize it all rather than delaying the process by experimenting first with the model.

If, as we get into a study of the functions of those area offices and consider what it means to move into regional centers, there are questions and problems that we think we need additional time for study by looking at a model, then we will consider that.

But my preference would be to develop an organizational model and to move that organizational model across the board rather than phasing it in on the basis of first doing a model.

Mr. FUNKE. To what extent do you plan to change the budgetary process which is presently being used to develop tribal budgets?

Mr. JOSEPH. The budgetary process is going to be changed in a very comprehensive way by the mere introduction of zero-based budgeting. That is going to be the vehicle by which I hope we will be able to deal with many of the problems that the Commission is pointing to.

Mr. FUNKE. Do you plan to stay with the band analysis type of budgeting?

Mr. JOSEPH. We plan to move to zero-based budgeting. As far as that concept fits into that, yes. But it really is a zero-based budget rather than a band analysis.

Mr. FUNKE. One of the other recommendations was that there is not enough long-ranged planning in the budget process. There was a recommendation that a needs assessment be done for each tribe.

What plans does the Department have for conducting in-depth needs assessments in the areas of social services, economic development, resource protection, and so forth?

Mr. **Joseph.** Let me comment first on the concept of planning. I could not agree more with the recommendation of the Commission that there ought to be a relationship between budgeting and planning. I have to make a distinction between the kind of relationship that can be, that is, with regard to the Bureau's internal operation, and the kind of relationship that there can be with regards to the total administration's budget process.

I happen to think that the concept of 5-year planning, where each annual plan is the first year of the 5-year plan, is a very good concept. It happens to be the one that I am familiar with and the one which was used in the industry in which I formerly worked. I happened to believe that also can work in the Bureau of Indian Affairs.

However, you recognize that in the 5-year planning concept, we have to try to fit that into the administrative process that is used by the administration, in relation to Congress and that sort of thing.

But, in terms of our own internal ability to forecast and our own internal ability to anticipate, I think the concept of 5-year planning is a very valid one. I would like to see the Bureau move to that concept. I would like to see that concept very much integrated to budget projection, just as the Commission recommended. I see no reason why we should not be able to do that.

As far as the needs assessment is concerned, I think that has to be an integral part of the 5-year planning process. The only way in which we can plan is to know what the needs are presently and to be able to anticipate those needs.

As far as economic development is concerned, I think certainly that is one of the areas in which I am most concerned. There is no question of the fact that some of the tribes have resources. If those resources are properly and adequately developed, we will find that they will at least find an economic self-sufficiency that has not been there. We are committed to that.

Mr. **Funke.** Thank you.

Mr. **Cox.** With regard to recommendation No. 1 of the management study: The Department indicates that resources that are available outside the BIA jurisdiction is the fact that it has never been properly considered in the past in the development of BIA program planning.

Is there presently a plan to give increased authority or an increased role of the Assistant Secretary for Indian Affairs to improve the interagency coordination of available resources?

Mr. **Joseph.** There is no official plan at this point. The reorganization that we do has to be done in the context of the overall administration of the reorganization effort. As we get into that overall reorganization effort in regard to other agencies, this is something we will discuss.

Right now I am only free to talk about those kinds of things that the Secretary and I can do in the context of the Bureau of Indian Affairs internal to the Department of the Interior.

When it gets to other agencies, that is something that we would have to deal with in the context of the overall reorganization of the administration. Certainly that is a point that we will keep in mind.

Mr. Cox. Do you know if the Joint Funding Simplification Act will be utilized more in regard to this kind of coordination in the future?

Mr. Joseph. It certainly is applicable. I cannot answer you in terms of how it will be used because I do not know what kind of reorganization will take place. But obviously, philosophically, as far as the Assistant Secretary of Indian Affairs' position is concerned, if he is going to be an effective advocate for the Indian community, then he has to be concerned about those programs outside of the Bureau of Indian Affairs that, in fact, are in the Indian community as well.

Mr. Parker. Mr. Joseph, during this committee's oversight hearings on the Indian Self-Determination Act's implementation, many of the tribes identified fundamental problems they had with the contracting system. The Self-Determination Act authorized the expanded authority of the Department to contract directly with the tribes to deliver services which the Department had formerly delivered itself.

During the oversight hearings, when the tribes testified to this committee, I would think it was fair to say that there was a consensus that a block grant system, somewhat along the lines of the revenue-sharing program, in their minds was far preferable and in their view would go a long way toward alleviating many of the problems that they had experienced with the contracting system.

Do you have any views regarding such a proposal?

Mr. Joseph. For one, we have some of the funds that are committed through the Bureau of Indian Affairs for specific purposes. We have to follow congressional mandates with regard to some of those specific purposes.

As far as a block grant system is concerned, when we get into zero-based budgeting and when we try to implement it, at least our present look at the budget on a tribe-by-tribe basis, we would be doing something like that.

But as to whether or not you can simply have a revenue sharing and block grant across-the-board, I do not think that is possible under the limitations which we are presently operating under.

Mr. Parker. My question presupposed that the Self-Determination Act be amended to call for grants instead of contracts under that particular provision—section 106—of the law. I think it presupposes that the act could be amended to the grant system in lieu of the contract system. I think my question went to that.

Mr. Joseph. All right.

My experience in making commitments to provisions I have not seen has not been very good. [Laughter.]

What I would like to say is that the concept sounds like a good one. Until I see the amendment and the provisions, I cannot really say whether I would be in favor of it or not.

Mr. Parker. Thank you.

Chairman Abourezk. Mr. Joseph, when Secretary Andrus was being confirmed before the Energy Committee, he was asked a question along the lines of whether or not he believed in the Bureau of Indian Affairs becoming a separate agency outside of Interior. His response, if you recall, was along the line that if the Indian tribes supported that, he would support it as well. He said that a number of times, in fact.

As you well know, the American Indian Policy Review Commission report recommends that. That recommendation, along with the others in the report, of course, were run by all the tribes for comment. That was overwhelmingly supported by the tribes, that is, the concept of a separate agency.

Are you in a position now to state whether or not you will work toward making the BIA a separate agency?

Mr. JOSEPH. Mr. Chairman, on that point I said at the outset that some of the recommendations had to be seen in the context of the administration's overall reorganization effort. The idea of a separate agency is one of those. I cannot unilaterally make a commitment because there are a number of other factors in this.

When we get to the overall reorganization of the Department of the Interior and human resources in the administration's approach to reorganization, that is certainly one of the things that we will probably be considering.

Other than that, I cannot make a commitment at this point. We certainly want to know what the Indian community thinks, and we have begun to hear that. But at the same time, we have to see how this fits into the administration's overall reorganization effort.

Chairman ABOUREZK. Are you saying that even though you intend to reorganize the Bureau of Indian Affairs, along whatever lines, that you will be unable to do that until the administration moves on an administrationwide basis?

Mr. JOSEPH. No. What we are saying is that we are committed to do what we can to make the Bureau of Indian Affairs as effective as we can within the Department of the Interior, which is the only mandate we have right now. That is the responsibility we can assume.

When it gets to the question of whether or not it is to be a separate agency, that is something that will be seen in another context and will be studied and analyzed in other contexts. We do not intend to wait until it happens. We intend to move as soon as we can.

I would say that at the first moment we have an Assistant Secretary, the next step would be to appoint an advisory task force and convene that task force and develop a plan for reorganizing the Bureau of Indian Affairs. That is how I would like to move.

It may be sometime before the overall administration's reorganization effort gets around to considering the concept of a separate agency. It may be some time before Congress acts on the recommendations of the Policy Review Commission. We do not think we ought to wait.

Chairman ABOUREZK. Let me say a word about the confirmation of the Assistant Secretary whom you have nominated.

It was some 7 months after you took office that you finally made the nomination. I have to say that I have been very deliberate in preparing hearings because I did want them to be well prepared. There have been requests by you and others. There has been what I would call sometimes "subtle pressure" to hurry up and confirm the nominee prior to the August recess. I personally have resisted that because I think there has to be better preparation. I have seen enough nominees come up and when they are asked what their position is either for or against a certain issue, and they consistently say, "Well, I have not had time to study that," or "I do not know what my position is."

As you know, I wrote the Secretary a letter stating that I would expect both he and the nominee, Mr. Gerard, to be able to take a position on major recommendations of the Policy Review Commission. I still intend to try to fulfill my responsibility as chairman of this committee along those lines.

But you do have Mr. Gerard, the nominee, working as a consultant at this time. Is there anything wrong with assigning him this task, beginning the reorganization plan, working as a consultant? You certainly have that authority.

Mr. **Joseph**. First, I was nominated by the President to be Under Secretary in February. If the Committee on Energy and Natural Resources had taken that position and waited until I was ready to make a policy decision on some issues, I probably still would not be confirmed and the Secretary would still be trying to operate without an Under Secretary.

So, the precedent is that very often people will have to go in and start performing a function before they can take a position on policy issues. I can appreciate your concern, but at the same time, you understand the bind under which that places us.

Second, with regard to Mr. Gerard's present function as a consultant, I really do not think that the reorganization effort, which is really a very comprehensive look at the Bureau of Indian Affairs, is something that ought to be done on a part-time basis. I really think he has to be there full-time and onboard before he can give it the leadership that is necessary.

Chairman **Abourezk**. My second question along those lines is this. Have you given any thought to consolidating the Indian desks in other agencies to the Bureau of Indian Affairs—such as the HUD desk, the education desk, and Indian Health Service—under the Assistant Secretary?

Mr. **Joseph**. This is another interagency question that we have to consider in the context of the overall reorganization act. It is not something we are presently dealing with. As I said before, we are dealing with the present mandate that we have rather than the one that we might have or could have under the reorganization. We are moving on that.

When we get into a consideration of overall reorganization, that is one of the things that we can certainly consider.

I am not yet prepared to take a position on whether not the Indian Health Service ought to be separated or not. I am simply focusing on what we can do with what we presently have.

Chairman **Abourezk**. Do you not have the authority to appoint Mr. Gerard as the Acting Secretary at this point, pending his confirmation?

Mr. **Joseph**. I think we do, Mr. Chairman, but my experience with Acting Assistant Secretaries and Acting Directors of offices is that they still do not have the weight that is needed to really do the kind of job that we are talking about.

Chairman **Abourezk**. Would that not solve the problem of being part time? Could not he then work full time?

Mr. **Joseph**. Mr. Chairman, I am not sure I understand this line of questioning, but are you trying to tell me something? [Laughter.]

Chairman **Abourezk**. I am only asking. [Laughter.]

Mr. **Joseph**. We would like to have an Assistant Secretary in place to really provide the leadership that is necessary. I think you are very well aware of that. Mr. Butler has done as well as he could—and I think he has done an excellent job in the interim—that there is a sense which the Bureau of Indian Affairs is awaiting its new leadership. As long as we allow that to happen, we are going to have a continuation of some of the problems you have referred to.

Chairman **Abourezk**. I would have to say that under Mr. Butler's acting capacity, it has had better leadership than it has had for a number of years.

Mr. **Joseph**. Yes.

Chairman **Abourezk**. It is better than when you had a permanent man.

Mr. **Joseph**. I am glad to hear you say that, Mr. Chairman.

Mr. **Funke**. In testimony, from the hearings on July 13, it was pointed out there was a need for a complete revamping of the computer system that the Bureau now uses. One of the recommendations was that a central computer bank be established with interacting terminals, both at the area and tribal level.

What plans, if any, does the Department have for implementing that recommendation?

Mr. **Joseph**. I do not really know of any at this point. It is not one of the things that I have given priority attention to, up to now, I might say. I recognize it. I saw that recommendation.

Mr. Butler, do we have anything on that?

Mr. **Butler**. We did until the action took place on our appropriations request in which that amount was deleted for the upgrading of the software and hardware. We have to reassess our position on that at the present time. We got cut to $2.6 million that we asked for. We will have to reassess that.

Mr. **Funke**. Were your plans to buy the hardware yourself for your computer system, or was it to plug into an already existing system?

Mr. **Butler**. It is my understanding that the plan at that time was to purchase the equipment. As I said, now it has been deleted from our budget, we will have to reassess the activity there.

Mr. **Funke**. I think the recommendation of the study was that you be granted time from a central computer bank. In that way the people who are in the business of running computers could keep the equipment up to date, and the Bureau's equipment would not become obsolete and require another capital investment in 10 or 15 years.

Mr. **Butler**. Yes.

Chairman **Abourezk**. Mr. Joseph, I think that is all the questions that we have this morning. You have covered a great deal in your statement, which obviated the need for a great many questions, although not all of them. The committee has submitted other questions in writing and your responses will be printed at the end of the hearing record.

I want to express my personal thanks, and I think that of the committee as a whole, for what I consider to be a very good attitude toward Indian affairs. It is refreshing to me, after having seen the obstructionism in the past few years.

If you carry out your intentions, it will be a great thing. I hope you can do it.

Thank you very much for coming.

Mr. JOSEPH. Thank you.

Chairman ABOUREZK. The hearing is adjourned.

[Whereupon, at 10:10 a.m., the committee adjourned.]

[Committee questions and responses of the Department of the Interior follow:]

QUESTIONS ON THE ORGANIZATION OF THE BUREAU OF INDIAN AFFAIRS

PERSONNEL MANAGEMENT

INDIAN CAREER SERVICE

The American Indian Policy Review Commission Final Report at 6-78 through 6-81 and xxx, xxxi, and the final report of Task Force No. 9, at 185-194 and 106-108, discuss the intent of section 12 (26 USC Sec. 472) of the Indian Reorganization Act with regard to the inapplicability of Civil Service Laws concerning the appointment of Indians to the Indian Service and the mandate that the Secretary of the Interior establish the standard for the appointment of Indians, (in effect an Indian Career Service).

Please review the sections of the report cited above.

Why hasn't the Department ever complied with the legal mandate to create an Indian Career Service and developed independent standards for the appointment of Indians?

Why are civil service laws and regulations still being applied to the appointment of Indians in derogation of Federal Law?

The Management Study at 33 States that agency and area hiring is a personnel function of the area office and that recruitment at the area office is done by official bulletin and that in many cases, the job is reclassified and readvertised over on a wider basis causing extremely long delays in filling positions.

What plans do you have to correct this situation?

The Management Study at 34 also states that manpower forecasts are controlled by personnel ceilings set by OMB rather than on the basis of personnel management assessments.

What plans do you have for forecasting manpower and staffing needs?

What roles do the Agency and Area Offices play in determining their staffing and manpower needs?

How does the BIA plan to incorporate manpower and staffing forecasts into the OMB and Interior personnel allocation determinations?

The Management Study at 34 and CSC report at 17 also state that BIA does not have effective recruitment techniques.

What is being done to plan for the future manpower needs of the BIA especially in the areas of technical assistance management and professional personnel?

What plans does the BIA have to develop recruitment practices with Universities, Colleges, professional and trade schools?

Are there plans to establish a central recruiting office which would report directly to the Chief Personnel Officer as recommended by the Management Study? If not, why not?

What plans does BIA have to develop and implement Indian intake and development programs? Specify how they will work, in what personnel areas they are planned, and how extensive the programs will be whether there will be emphasis on training or recruiting Indians for upper level professional, policy and management positions from within and outside BIA. What is being done to speed-up and bring consistency to the job classification procedures of the BIA?

What is being done to insure adequate internal communications within the BIA?

What is being done to insure that BIA personnel have adequate knowledge of their expected performance levels and evaluation and feedback concerning their performance?

What is being done to insure that personnel with inadequate performance levels receive needed guidance and training?

The Study states that manpower utilization is very poor in BIA and that output is very low. The primary reason cited for this is that defined quality/quantity output standards are non-existent.

page 126 blank.

Does BIA plan to implement such standards and monitor manpower output and productivity?

Is there a plan to assess and forecast the changing manpower and personnel skills which are needed or will be needed due to the shifting role of the BIA because of P.L. 93–638 and other changes.

What procedures have been followed or will be followed by BIA to adequately measure cost effectiveness of their personnel and specific programs and projects?

The Management Study at 34 states that BIA labor relations practices are poor, management dictatorial, and employee input not solicited nor responded to resulting in high personnel turnover. What is being done to correct this situation?

The American Indian Policy Review Commission Final Report at 6–82 discusses the outdated, confusing and unworkable status of the BIA Manual.

What is being done to revise, consolidate and update the Manual so that it is a useful functional guide for BIA operations?

Several witnesses at our hearings on the 13th stated that the caliber and quality of many BIA personnel was very low and that in many instances, tribes did not receive the technical assistance, program assistance, and adequate information necessary to make critical decisions or become self-sufficient. At least one witness indicated that the tribes should be given more contracts to obtain the assistance they need because BIA is either incapable and/or unresponsive in providing technical assistance.

What plans does BIA have to insure that key personnel are in fact capable of providing the types and quality of technical assistance, program information, budget formulation information, economic development assessments etc., that the tribes require?

Does the BIA have any plans to expand their technical assistance contracts to enable tribes to obtain TA from outside sources?

BUDGET

The Final Report and the Management Study have identified many problems in the budget formulation process.

Based on several hearings by AIPRC personnel, it was learned that BIA does not have accurate tribal membership and service population data.

What plans does BIA have to acquire such data?

On what basis were service population representations to Congress formulated in the past?

The past BIA budgets have not been based on accurate service population figures nor on actual tribal needs assessments.

What plans does the BIA have to conduct indepth needs assessments of each tribe in terms of:

1. Service population.
2. Natural resource protection and development potential.
3. Economic development potential.
4. Level and adequacy of health care, level and adequacy of housing, level and adequacy of income.
5. Tribal capabilities in terms of personnel, facilities, equipment, land patterns (whether land is severely checkerboarded or diffused due to heirship problems or scattered holdings etc., so as to prohibit or inexhibit efficient administration and utilization of the land).

The BIA budget process has been criticized because the process works from the top down, program directors dominate decisions on fund allocation rather than formulating the budgets based on the needs and objectives of the tribes.

What is being done to determine the needs and objectives of the tribes and formulate funding allocations from the tribal level up through the Department?

The present budget cycle operates on an 18th month planning process. There is little or no long range planning to assure that priority long term needs and projects of a tribe will be met from year to year. What is being done to develop long range planning and assuring that the budget process will assure adequate funding to carry out long range plans?

To what extent and in what manner does the BIA establish program objectives?

The Management Study at 16 states that the only measurement at the present time is that of determining the funds spent or allocated against the amount budgeted and there is no procedure for determining results, administrative costs as opposed to actual delivery of services, effectiveness of managers, programs or organizations. What is being done to measure program effectiveness and administrative costs etc.?

MANAGEMENT INFORMATION

The Management Study at 41 states that the BIA does not have a method or equipment to enable it to effectively evaluate, manage and motivate people, make decisions or measure program quality which results in a multitude of management problems.

What plans does the BIA have to set of standards for evaluation and setting up an effective system to utilize the management information which could be developed?

The Study further indicates that critical management and program information gets bottlenecked within the various levels of the Bureau which results in low employee morale, wasted time, hinderance of program development and promotes tribal bitterness.

What plans does BIA have to insure that all levels of the Bureau have sufficient data, program information and management information to enable them to efficiently manage and administer programs and personnel?

What is being done to provide a more direct and efficient information flow?

The Management Study characterizes the BIA data processing hardware as obsolete and inappropriate for the type of functions it is performing and inadequate to handle many additional functions that are not presently handled in an automated fashion. Furthermore the present system is of limited utility because of inadequate retrival system i.e. no remote terminals, incomparable hardware and no interactive computer system.

What is being done to correct these deficiencies?

Please respond to recommendations 15–23 at pages 42–27 of the Management Study and indicate to what degree the Bureau plans to implement each of them.

ORGANIZATION OF THE BIA

The Management Study has identified critical problems in the present organizational structure of the BIA and developed a method to reorganize it.

One of the central recommendations of the Management Study is to remove the line authority of the Area Offices over program fund allocations, program determination and service delivery and redelegate it to the Agency offices. The 12 Area Offices would be consolidated into 6 Regional Service Centers and their role would change to one of being staffed with highly trained technical experts and administrative personnel to provide indepth technical assistance and advice to the agency offices (local service centers) and to the tribes and also provide administrative functions of record keeping payroll, etc. This recommendation was unanimously endorsed by the witnesses who testified before the Committee on July 13th.

What are your views on this recommendation and what plans if any do you have for implementation?

What is the Department's response to developing an expanded role for the Indian Technical Assistance Center in Denver as a model Regional Service Center to test and demonstrate the feasibility of the recommendation? (This would be combined with the delegation of line authority to the agency offices in that area.)

What is the Department's response to a proposal to further expand the role of the Regional Service Center by including the operation of technical assistance and administration for other Indian programs run by other agencies such as EDA, HUD, etc., within the Service Center?

What are the Department's views on establishing a legal office (general counsel's office) within BIA as opposed to retaining a division within the Solicitor's Office within BIA?

Please review the prepared statement and testimony of Reid P. Chambers, former Associate Solicitor for Indian Affairs and inform the Committee on whether you concur with his testimony regarding the following:

(1) Creation of a General Counsel's Office in BIA

(2) Giving independent referral authority to the Associate Solicitor for Indian Affairs on matters to be referred to Justice for litigation.

(3) Giving the Associate Solicitor independent litigation authority in matters

which Justice refuses to take action.

(4) The need for increased staffing of the Indian Affairs Division of the Solicitor's Office.

(5) The need to have trained Indian specialists in the Regional and Field Solicitor's Offices with line authority running directly to the Associate Solicitor.

(6) The same as (5) above with regard to the line authority running from the U.S. Attorneys handling Indian cases to the Associate Solicitor.

(7) The need to consolidate into a single division the presently scattered functions of the Department of Justice regarding Indian matters.

NOTE.—For items (2)–(6) above, Associate Solicitor is applicable if no General Counsel's Office is established in BIA otherwise General Counsel is substituted for Associate Solicitor.

Please review Section IV of the Management Study (p. 55) and comment on your plans for implementation if any.

Please review the Management Study and AIPRC Final Report Chapter 6 concerning reorganization of the BIA and supply us with your views and plans for implementation of the same.

Responses to Questions, Oversight Hearings on Current Administration and Management of Indian Affairs

U.S. Department of the Interior,
Office of the Secretary,
Washington, D.C., July 28, 1977.

Hon. James Abourezk,
Chairman, Select Committee on Indian Affairs,
U.S. Senate, Washington, D.C.

Dear Jim: This acknowledges receipt of the questions you have posed to this Department about the current administration and management of Indian Affairs.

In reply you will find enclosed our written responses. You will also find responses to the functional recommendations and the Bureau's Personnel Action Plan, with updated status reports on it.

We look forward to our meeting with you on this vital matter.

Sincerely,

Cecil D. Andrus,
Secretary.

Enclosures.

Personnel Management

A series of events have taken place over the past few years which has necessitated a joint effort on the part of the Office of the Secretary and the Bureau of Indian Affairs to cooperatively work in improving the Bureau's Personnel Management Program. This led, in April 1976, to designating a Project Manager working full-time with Bureau Management in both the Washington office and all of the field activities to continue studies for personnel management improvement. As a result of an intensive study the present Personnel Management Action Plan was approved by the Commissioner on January 3, 1977. Most of the findings and recommendations of the American Indian Policy Review Commission tend to dovetail with our own reviews and Personnel Management Action Plan. Many of these steps have been completed or progress is being made toward implementation of the recommendations. At approximately the same time a nationwide recruiting effort took place to fill the vacant Chief Personnel Officer position. As an additional measure several additional positions were provided to the understaffed Washington office, Division of Personnel Management. This permitted restructuring the Branch of Position Classification and establishing a Branch of Management Evaluation. During the summer the Personnel Action Plan is being reassessed and will be reissued in an updated format in September.

The Office of the Secretary has a continuing and strong commitment to give assistance and guidance to the Bureau of Indian Affairs in the common effort to improve Bureau personnel management.

Why hasn't the Department ever complied with the legal mandate to create an Indian Career Service and developed independent standards for the appointment of Indians?

The Indian Reorganization Act directed the Secretary to establish qualification standards for the appointment of Indians without regard to Civil Service laws to positions in the Indian Service. The history of the IRA contains a great deal of reference to a separate career service, but the actual wording of the Act refers only to qualification standards. Recent research indicates that intensive studies were initiated by Commissioner Collier immediately followng passage of the Act. He had representatives visit the Indian leaders and Indian employees to ask for recommendations concerning kinds of positions needed, qualification standards, whether a blood quantum was necessary or desirable to establish eligibility for preference in employment. Although the records are incomplete, it appears the office of the Department's Director of Personnel was also working on plans to implement Section 12 of the Act. This effort culminated in the exemption from competitive examination of *all* positions in the Indian Service when filled by Indians—Executive Order 8043 of January 1939, which provides for the Excepted Service in the Federal government. Previous Executive Orders had exempted only specific positions or groups of positions. Soon thereafter all programs in the government were impacted by World War II. The Bureau of Indian Affairs was physically relocated to Chicago and less emphasis was placed on assistance to Indian people or employees. In the 1950's the termination policy prevailed The Department apparently felt the termination process would moot the question of a separate career service. In the 1960's emphasis shifted from the policy of termination. The rekindled interest and concern of the entire country for the minorities gave impetus to new studies and new interpretations of the Indian Reorganization Act. We believe a continuing assessment should be made to determine whether there is a need for a separate Indian Career Service. The assessment will include whether the present system can be improved to more effectively carry out the directives expressed by Congress in the Indian Reorganization Act taking into account policies already adopted by the Secretary of the Interior and recent court decisions.

Why are Civil Service Laws and regulations still being applied to the appointment of Indians in derogation of Federal Law?

The Bureau has functions mandated by statute that it must fulfill as the trustee executing the Federal government's fiduciary responsibility to Indian people. In order to accomplish this it must design positions which enable it to achieve those tasks and it must employ persons whose skill are commensurate with the tasks involved. It has been the consensus of the Department that lesser standards should not be applied to the appointment of Indian candidates. For groups of positions for which the Civil Service Commission has no qualification or classification standards, i.e., Tribal Operations Officers and Specialists, Enrollment Specialists, Employment Assistance and Community Living Guidance Officers, Dormitory Aids or Assistants, the Department has approved single agency standards. The provision of the Excepted Service which exempts Indian candidates from competition and the use of single agency standards where necessary appears to meet the requirement for appointment without regard to the competitive Civil Service laws and regulations.

What plans do you have to correct this situation?

Our Personnel Management Action Plan deals with several areas that are aimed at improving the recruiting practices.

On May 26, 1977 procedural guidelines were issued dealing specifically with recruiting techniques, expanding areas of consideration and utilization of job design. It was developed specifically to aid in avoiding long delays in filling positions because of readvertising and/or reclassifying the position. In addition in September 1977 the Bureau's Merit Promotion Program was revised to give better guidelines to eliminate long delays in the recruiting process.

A 3 day Bureauwide training program on making qualification determinations was conducted for Personnel Staffing Specialists. Work is continuing on developing appropriate qualification standards for a variety of Bureau occupational categories.

What plans do you have for forecasting manpower and staffing needs?

The Personnel Management Action Plan Step HR-1 titled "Develop and start operating a manpower forecasting system" has been started. An employee participating in the Federal Executive Development Program has undertaken this project and began work on it in April 1977. We expect the first results of this project within the next 30 to 60 days. We will then expect to refine the program and develop from that an ongoing procedure.

What roles do the Agency and Area Offices play in determining their staffing and manpower needs?

On May 11, 1977 the Bureau issued a revision to 33 BIAM which provides the policies and procedures for a systematic approach to Organization Planning and Position Management Improvement at all organization levels of the Bureau. This directive requires the involvement of both area and agency officials in systematic planning to assure that Bureau functions, manpower, and activities are organized to expedite accomplishment of program objectives in the most direct and effective manner.

How does the BIA plan to incorporate manpower and staffing forecasts into the OMB and Interior personnel allocation determinations?

The BIA plans to continue to furnish Interior with projected needs for funds and ceilings through the Budget process and also make timely personal presentations of these needs together with appropriate justifications.

What is being done to plan for the future manpower needs of the BIA especially in the areas of technical assistance management and professional personnel?

In addition to the manpower forecasting being developed as previously mentioned, Action Plan Item HR–4 deals specifically with a plan to "grow" Indian candidates for technical/specialists positions. A task force composed of representatives from both Central Office and the Field was established in March 1977. After their preliminary work a meeting of the task force was held in Washington in April 1977 and developed 11 specific recommendations for Bureau implementation to "grow" more Indian candidates for the professional occupations in the natural resources and engineering fields. These recommendations have been sent to both the Area Offices and the tribes for comment after which we will proceed with implementations of the final plan.

What plans does the BIA have to develop recruitment practices with Universities, Colleges, professional and trade schools?

While some Areas do make periodic visits to certain colleges and universities, we agree with the need to develop a more formalized Bureauwide program. This will be done in the implementation of Action Plan Step HR–2 "Develop and start operating a centralized skills inventory/Indian Affairs job—available system involving positive, outreach recruitment." Although this step is running behind our initial time plan, this remains a high priority item for implementation.

Are there plans to establish a central recruiting office which would report directly to the Chief Personnel Officer as recommended by the Management Study? If not, why not?

At this time we do not have plans to establish a separate central recruiting office for the BIA. There is, however, Central Office involvement and direction in Action Plan Steps HR–1 through HR–10 that deal with the total recruitment process. We will continue to evaluate our recruitment processes to determine whether or not there may be a need for some type of central recruiting particularly as it relates to certain "shortage" category positions.

What plans does BIA have to develop and implement Indian intake and development programs? Specify how they will work, in what personnel areas they are planned, and how extensive the programs will be whether there will be emphasis on training or recruiting Indians for upper level professional policy and management positions from within and outside BIA.

We have plans to implement HR–3 "Develop and operate an Indian intake and development program" in FY–79. Our action plan calls for several steps; (1) Guidelines for Bureauwide uitilization and coordination of program, (2) Based on information developed in HR–1 determine numbers by occupational categories, (3) Develop basic requirements for program entrance, (4) Develop program publicity to contact network for locating candidates, and (5) Develop application, screening and selection procedures.

What is being done to speed-up and bring consistency to the job classification procedures of the BIA?

The Central Office and Area Personnel Offices have taken significant action to improve the level and quality of their classification staffs and train line managers regarding their responsibilities for accurate position classification and good position management.

We have been developing classification guidelines for specific occupations for our field activities. These guidelines are based on paper reviews, on-site visits, desk audits and input and assistance from Central Office and Area program managers. Depending on the particular occupation being studied, the guidelines contain series and titling instructions, model position descriptions and classification rationale indicating standards referenced and interpretations of grade level determinations. These guides have the same impact as single agency standards, do not require CSC approval, and will result in more consistent, accurate and timely classification decisions. Efforts completed or currently underway are as follows:

Vocational Development Specialists (completed March 1977).
Teachers (completed March 1977).
Education Aids and Technicians (estimated July 1977 completion).
Law Enforcement and Police Officer Positions (estimate July 1977 completion).
Wage Grade Positions (guidelines issued in March and June 1977; continuing).

Clerical Positions (estimate July 1977 completion).

Tribal Operations (estimate August 1977 completion).

Housing Development (estimate late Summer 1977 completion).

Title Plant Positions (estimate July 1977 completion).

Road Engineers (estimate Fall 1977 completion).

Administrative Managers/Officers (estimate late Summer 1977 completion).

Social Workers (estimate July 1977 completion).

Superintendents (continuing project, completion date not determined).

Position Changes Resulting from P.L. 93-638 Actions (estimate July 1977 completion).

We plan to study other areas in the near future including forestry, realty, appraisal, plant management, credit, industrial development, etc.

Policy material on organization planning and position management improvement procedures was issued by the Acting Deputy Commissioner on May 11, 1977, This should improve organizational and position design and result in more effective, efficient use of human resources.

We have reminded field activities of cyclic review requirements and collected data for first six months of FY 1977. Developed new format for data reporting beginning with second half of FY 1977. This is a continuing effort and will eventually result in a planned, systematic classification program.

Field activities have been directed to conduct statutory annual review of positions (Whitten Review) and report results to the Central Office by end of the fiscal year.

A policy letter regarding preparation of accurate position descriptions was signed by the Acting Deputy Commissioner in June 1977. This letter was addressed to all supervisors and managers and discussed the reasons behind the requirement for accurate position descriptions and furnished information regarding the importance of good position design and preparation of position descriptions.

We have provided on-site technical assistance visits to every Area Personnel Office and the Field Administration Office during the past year. These visits were to reduce classification backlogs, study classification problems in various functional areas and explain classification policy guidelines issued.

What is being done to insure adequate internal communication within the BIA?

In the Personnel Management area, several area offices and the Central Office Personnel Services have developed newsletters that are distributed to all employees. A Bureauwide Personnel newsletter is being developed to be issued from the Personnel Management Division in Central Office. Beginning in June 1977 and scheduled for completing in August 1977, a series of personnel management communication workshops, action plan item HR-12, will be completed. The Commissioner held a series of expanded staff meetings in which there was the opportunity to discuss and reach a better understanding on a number of human relations topics. In addition several office Directors have held all employee meetings in Washington to discuss the action plan.

What is being done to insure that BIA personnel have adequate knowledge of their expected performance levels and evaluation and feedback concerning their performance?

What is being done to insure that personnel with inadquate performance levels receive needed guidance and training?

On June 21, 1977 a policy statement was issued reaffirming the Bureau's commitment to a sound, on-going performance evaluation program. In addition the Bureau's Performance Evaluation Program is being revised with a goal to communicate to each employee what management expects of him or her in the position they occupy and establish standards of performance that form the basis for awards, training, and punishments. The program requires the following responsibilities of managers and supervisors.

To discuss with each employee on an individual basis the performance standards/objectives of his/her position, so that a mutual agreement and understanding is reached between the supervisor and employee of these standards/objectives.

To give continuous assistance to each employee to attain the performance standards/objectives by frequent discussion with the employee regarding performance status/progress and the appropriateness of periodically revising/updating the standards/objectives as circumstances change.

To set an example in personal behavior and conduct for the ethical values and moral principles to be adhered to as a Federal government and Bureau employee in relation to official duties and work.

To evaluate fully and fairly, based on mutually understood standards/objectives, each employee's performance, sharing this evaluation with the employee, and taking appropriate actions flowing therefrom (e.g. additional training, awards, disciplinary measures, etc.)

In cases of poor performance against standards/objectives—despite supervisory assistance towards improvement—to seek the aid of the personnel office regarding the appropriate steps to take and procedures to follow in regard to disciplinary action.

RESPONSIBILITIES OF PERSONNEL OFFICES

To provide assistance to managers/supervisors in fulfilling their performance evaluation responsibilities by providing appropriate orientation and training.

To orient employees to performance evaluation—its purpose, principles, methods, etc.

To help run the Bureau's program mechanics (form, procedures, etc.) for performance evaluation in such a way that it enhances the meaningfulness of the process rather than lapses into a useless rote operation.

To provide advice and guidance to managers/supervisors on the appropriate use of various techniques/devices for building performance standards/objectives in individual cases, and on approaches to solving specific problems.

To counsel with managers/supervisors in specific cases of performance problems/failure, concerning the correct procedures to follow in pursuing appropriate action.

Does the BIA plan to implement such standards and monitor manpower output and productivity?

The Performance evaluation program will certainly monitor manpower output and productivity.

Is there a plan to assess and forecast the changing manpower and personnel skills which are needed or will be needed due to the shifting role of the BIA because of P.L. 93–638 and other changes?

Because of the Bureau's important role in the area of P.L. 93–638 and the shifting role associated with it, these program trends are a part of Action Plan HR–1 "Developing a manpower forecasting system."

What procedures have been followed or will be followed by BIA to adequately measure cost effectiveness of their personnel and specific programs and projects?

As part of the Bureau's Program, Planning and Evaluation data system, we have gradually developed a system for collecting selected outputs (work measurements) data. These selected outputs are directly related to the funding and staffing proposals contained in the Tribal and Bureau program plans. Several program areas have end of year reports which indicate work which has been accomplished during the past year in that specific program.

At the present time outputs are collected only once a year, as the program plans are being developed. It is our intention to formalize the procedure into a semi-annual requirement to be collected at the time the plans are being prepared and again at the mid-point of each Fiscal Year. This will permit us not only report output levels for each program as related to funding and staffing levels but to also monitor each program to determine if they are progressing at a reasonable pace as the program year moves ahead.

The Management Study at 34 states that BIA labor relations practices are poor, management dictatorial, and employee input not solicited nor responded to resulting in high personnel turnover. What is being done to correct this situation?

Supervisory Development. The BIA has taken a number of initiatives towards meeting the need for improved supervisory performance, leading to better labor relation practices, better communication with employees and improving morale.

A. Bureau managers are advised of the various non-Bureau sources of supervisory training. These courses include:

1. The Department's Supervisory Training Program.
2. Civil Service Commission courses for supervisors.
3. Locally available courses through colleges and universities.

B. The Bureau is developing supervisory training materials for Bureau-wide use on personnel management topics. Unique personnel management issues in

BIA will be dealt with in these sessions. Guides developed and distributed for use within the last year include the following:

1. Career Development System.
2. Promotion and internal Placement.
3. Freedom of Information and Privacy Act.

Guides on the following topics are scheduled to be developed and distributed within the BIA during this fiscal year and 1978.

1. Upward Mobility.
2. Public Law 93-638 Orientation.
3. The BIA EEO Affirmative Action Plan.
4. Staffing.
5. Position Classification.
6. Employee Relations.
7. Labor Relations.
8. Special Programs.
9. Indian Preference.

The above material are designed for groups of supervisors to use throughout the Bureau under competent leadership to develop an understanding of their responsibilities in the subject areas of subject matter.

What is being done to revise, consolidate and update the Manual so that it is a useful functional guide for BIA operations?

On July 26, 1976, the Bureau established an objective under the MBO system for updating the BIAM and 25 CFR. With assistance from GSA/NARS, the objective called for (1) the development of a plan to convert the old IAM to the BIAM system; (2) improvement of procedures for preparing, clearing, controlling, and maintaining BIAM directives; (3) development of an external directives system for issuing policy and guidelines to tribal organizations and contractors; (4) coordination with and assistance to GSA/NARS in developing workshops to instruct employees on the improved system and procedures; and (5) implementation of the systems. The target date for commencing the implementation phase is 12-31-77.

What plans does BIA have to insure that key personnel are in fact capable of providing the types and quality of technical assistance, program information, budget formulation information, economic development assessments, etc., that the tribes require?

BIA will insure key personnel capability through quality appointment in filling vacancies and through training of on board personnel. BIA will respond to the increasing tribal need for professional and technical expertise by changing its personnel staffing requirements and through the medium of contracting with tribes for technical assistance.

Does the BIA have any plans to expand their technical assistance contracts to enable tribes to obtain technical assistance from outside sources?

The range of activities for which the Bureau is responsible to Indian people is nearly as broad and varied as that of government itself. As the Bureau changes from primarily a service to primarily a technical assistance agency, the means of delivery of this assistance will be a matter of major concern. To a large degree this will be addressed in connection with the whole budget and planning process which is addressed elsewhere. Consistent with the policy of self-determination, we believe the tribes should have the option as to how technical assistance is delivered by contracts from either the tribe or the BIA, from other public or private agencies or directly from Bureau personnel.

Much has been done recently, particularly where additional dollars have become available, to enable tribes to obtain the technical assistance from outside sources. For instance, about 75 percent of the training and technical assistance funds relating to P.L. 93-638 activity is expected to be delivered to tribes from outside sources. Similarly, where natural resource funding has been expanded, much of the technical assistance associated with it is being provided from outside the Bureau. However, we would caution that this does not diminish the need for the Bureau to have on its staff personnel who are fully capable in the various fields they represent if the tribes are to receive maximum benefits from funds appropriated for technical assistance.

BUDGET

Question. What plans does BIA have to acquire such data? (Accurate tribal membership.)

Answer. In most instances the BIA regards the maintenance of tribal rolls as a tribal responsibility. We recognize the importance of this information, and therefore we assist the tribes in this task as resources permit.

For example: The Bureau furnishes technical guidance and assistance in preparing rolls.

At the option of the tribes, tribal rolls are maintained on the BIA computer at no cost to the tribe. The Bureau is currently developing an improved data base system to better assist the tribes in preparing and maintaining their rolls.

A pilot project is being developed at Phoenix to provide training for tribal officials and tribal employees in tribal government and in the basics of enrollment and roll preparation. The Bureau hopes to expand the training to a nationwide project.

Tribes can, and some have, devoted part of their BIA Self-Determination grants to establishment and improvement of tribal rolls.

The BIA is conducting a survey to determine the current status and needs of tribal rolls. Results of the survey, which should be available early this fall, will enable us to plan effective assistance to the tribes in preparing and updating tribal membership rolls, within resources available.

The BIA prepares a judgment roll in cases where the funds are to be distributed to lineal descendants of a tribe that has no present-day organization. If there is a present-day organized tribal entity, the membership roll is prepared by the tribe, with BIA assistance, for use in distribution of the judgment funds.

In the case of the *Boldt* decision, BIA funds were provided through contracts with tribes to prepare the membership lists necessary for identification of tribal members. The tribes in the Western Washington Agency are the subject of a pilot project for an improved data base.

Question. What plans does the BIA have to acquire such data? (Accurate service population data).

Answer. It is generally agreed that Indian population figures are not accurate. Regarding long-range plans to improve data, the BIA is now and will continue working with the Census Bureau to improve the 1980 decennial census data for Indians. The BIA plans to spend $460,000 in FY 1978 to provide maps of reservations satisfactory for Census Bureau purposes. The BIA, along with ONAP, funded a Census experimental survey of three Navajo chapters in order to test procedures for improving coverage. In later stages the BIA will assist in securing Indian cooperation with the Census.

Regarding plans to improve current data, we discuss three different Indian population figures below. The first might be called a general overall local estimate, and there are no plans to improve it because of the cost, and because almost no BIA funds are distributed directly upon it. The second and third population figures, which are closely related, have an established appeal procedure which permits corrections. The BIA intends to continue this procedure.

It must be pointed out that no one population figure will suit all programs. For example, scholarships related to high school graduate of ¼ blood or more who wish to attend college, Social Service depends on the population meeting particular eligibility requirements, housing needs depend on family units, and so forth.

(1) As a broad, overall measure of the population at a reservation the BIA uses the Indian population living on the reservation or adjacent. The term "adjacent" is not defined on a map but refers generally to Indians within commuting distance of the reservation. This figure is a local estimate provided by the Agency and/or the tribe, using the best sources available, which differ from reservation to reservation.

The only BIA funds distributed on the basis of this figure are Roads Construction funds, for which population comprises 10% of the formula distributing to Areas.

(2) The Indian population used for General Revenue Sharing is comparable to figures for non-Indian governments. It is essentially the Indians living on the reservation or on trust land adjacent. It is the most accurate Indian population figure because (a) it is geographically defined, (b) was derived originally from 1970 Census data, and (c) it can be appealed by the tribe. There have been many successful appeals by tribes. The 1970 figure has been updated to July 1973, and again to July 1975, using births, deaths, and migration estimates. The BIA has updated the tribal populations, and the Census Bureau the populations of the other governments.

(3) The third figure is used for BIA Self-Determination Grants, through Fiscal Year 1978. In Fiscal Year 1979 the distribution will be determined by tribal

priorities on the band analysis and will not depend on population. This figure was also used by EDA (Commerce) for the second-round computation of target amounts for Local Public Works for tribes.

The figure corresponds to that used for Revenue Sharing, except that:

(a) In Oklahoma, all tribal members living in the former reservation counties are counted.

(b) An allowance is made for adjacent population in the case of a small reservation population with substantial adjacent population. This adjustment corresponds in part to the small tribes incentive portion of the Self-Determination Grants.

Question. On what basis were service population representations to Congress formulated in the past?

Answer. Service population data presented to Congress have been derived from the local estimates of Indian population living on and adjacent to reservations, as described above. In the State of Alaska, all Natives in the State are counted. In Oklahoma, all Indians in the former reservation areas are counted. In California, estimates of Indians on and adjacent to reservations are supplemented by estimates of other Indians living in the rural parts of counties which contain trust land.

Question. What plans does the BIA have to conduct indepth needs assessments of each tribe in terms of:

1. Service Population

See the answer to previous question concerning BIA plans to acquire accurate service population data. In addition, the various BIA programs assess needs in terms of their program characteristics. Thus, the need for housing on each reservation is assessed by housing surveys, the need for law enforcement by studies of the local situation, the need for social services by projections of caseloads and costs, the need for employment assistance by projections of applications, and so forth. A special assessment of Indian education needs is being conducted in cooperation with HEW.

2. Natural Resources Protection and Development Potential

There is a mixed situation on need assessments in this area. We have good data for some categories of natural resources, and for some reservations, but not all. We are accelerating needs assessments in minerals and Forestry.

As we move forward in adjusting our budget and planning processes, we will be working closely with the tribes to develop better long-range planning capability.

3. Economic Development Potential

Many reservations have already conducted comprehensive assessments of their economic development potential.

However, we recognize that other reservations, particularly small ones, still lack these plans. As this task is carried forward, it is important to achieve coordination of BIA development efforts with those of EDA and other agencies active in economic development.

Answer. 4(a). *Level and adequacy of health care.*—The BIA has no plans. This is a responsibility of the Indian Health Service.

4(b).—*Level and adequacy of housing.*—Each year the BIA assesses housing needs by a survey of the housing situation at each reservation. The data compiled include the number of houses built or improved by HUD or BIA, the number that can be repaired, the number that cannot be repaired and must be replaced, and the number of unhoused families (doubled-up).

4(c). *Level and adequacy of income.*—The Bureau is concerned about the lack of adequate data relating to personal and family income. In the past, the BIA attempted to determine per capita income with data gathered in the budget process, but found the results to be frequently unsatisfactory, so that comparisons among tribes were unreliable. We have hesitated to conduct income surveys on a Bureau-wide basis because of the cost and because of the resistance to answering income questions.

Surveys of economic development potential (see item 3 above) usually provide some income data for the reservations studied. A number of tribes have assessments of capability, and plans to improve capabilities, as part of a comprehensive development plan. The BIA would undertake to assess tribal capabilities only if the tribe requests assistance, or if it is proposing to contract.

Various resources are available to strengthen tribal government operations and capabilities. This is the main purpose of the BIA Self-Determination Grants, and tribes are encouraged to use the grants for this purpose. In addition, BIA training and technical assistance are available to tribes wishing to contract. Other resources are the General Revenue Sharing grants and various Labor Department programs supporting training and employment of tribal government employees. The Statement is made that "The BIA budget process has been criticized because the process works from the top down, program directors dominate decisions in fund allocation rather than formulating the budgets based on the needs and objectives of the tribes." However, this opinion is not completely shared by the American Indian Policy Review Commission. In the BIA Management Study introduction to the section of their report on the Budget Process, they state that . . . "the Bureau of Indian Affairs is unique because the client (it serves) formally *participate* in the process through Band Analysis which allows tribal councils to set *priorities* for selected programs." (italics added). General criticism of the BIA budget process notwithstanding, the Management Study, with that statement, has formally recognized that the BIA has, for some time, been making a determined effort to make BIA budgeting and program development a joint effort between the Bureau and individual Indian Tribes.

Question. What is being done to determine the needs and objectives of the tribes and formulate funding allocations from the tribal level up through the Department?

Answer. With respect to the actual needs of each tribe, we have included a need column on our Band Analysis forms to fully reflect the needs of each tribe even though these needs exceed the budget limitations. With existing funding as well as employment and travel ceilings, we continue to face results that provide only a fraction of the stated tribal needs.

Other columns in the Band Analysis forms are used by the tribes to display their current objectives and priorities by indicating which programs are most important to them and which are of lesser importance.

To more fully support their needs and priorities, the tribes are also requested to provide a narrative statement to indicate major impacts of each band level and to indicate the general direction of program changes.

There are, however, a number of existing factors which are outside Bureau control that effectively limit the application of the Band process. About ⅔ of the Bureau budget is theoretically uncontrollable where neither the tribes nor the Bureau have the option of assigning priorities. These funds are to be used in support of trust responsibilities, for past legislative mandates, for "entitlement" programs such as welfare payments where spending follows claim levels, or represent one time unusual or major expenses such as construction.

The band analysis system is not a budget request and it will not, by itself, produce more funds for the BIA and the tribes. It is simply a tool by which local tribes can indicate their desires within established funding limitations. The band is used as a mechanism to involve tribes in the hard decisions which must be made in order to realize the best use of the limited funds available.

Question. The present budget cycle operates on an 18-month planning process. There is little or no long-range planning to assure that priority long-term needs and projects of a tribe will be met from year-to-year. What is being done to develop long-range planning and assuring that the budget process will assure adequate funding to carryout long-range plans?

Answer. We concur that here is a need to more fully develop the concept of long-range planning in the Bureau, particularly at the tribal level. To be truly effective and meaningful, comprehensive planning must have its genesis at the local level and the primary local planner must be the tribe. However, many tribes do not have the capability necessary to produce acceptable planning documents nor do they have the financial resources necessary to hire competent planners. To accomplish this they will need outside support such as self-determination grants for local tribal planning.

Working with tribes on the budget process and program plans beyond the 18-month period presently being used will generate some difficulties because of the rapid turnover in tribal leaders in many tribes. Also, in some cases tribal circumstances and fortunes are subject to a variety of changes during a planning period that extends over several years. These changes may require some reordering of priorities by both the tribes and the Bureau.

For these reasons, it is necessary that long-range tribal plans remain flexible enough to adjust to these changes. It is also essential that the Bureau be given the flexibility to adjust program levels during this same period of time to keep pace with these changes and revised service requirements as determined by new tribal priorities. We believe this to be a real life factor concerning which the Congress and the Administration must be acutely aware.

As we approach a total reassessment of the Bureau budget process we are pledged to stress the concept of long-range planning.

Question. To what extent and in what manner does the BIA establish program objectives?

Answer. Program objectives are based, insofar as possible, on the stated tribal needs and objectives as developed through the individual tribal Bands. The Band process is the firm basis for the development of a Bureau-wide budget as well as Bureau-wide program plans. The integrity of the tribal input into the process is carefully maintained at all levels of the Bureau budget development.

We recognize the Band Analysis is an imperfect process and that there are improvements that are needed. Major issues are equity funding, multi-tribal agencies and small tribes vs. large tribes.

MANAGEMENT INFORMATION

What plans does the BIA have to set up standards for evaluation and setting up an effective system to utilize the management information which could be developed?

The Bureau has initiated a two-pronged strategy to deal with this issue. In response to a Presidential/OMB initiative the Bureau commenced an organizational evaluation program in December 1976. A draft of the implementation plan and BIAM procedures has been circulated within the Bureau for comment with final development of both the BIAM and the implementation plan scheduled for November 30, 1977. A detailed evaluation schedule is to be developed by December 30, 1977 so that each organizational entity will be reviewed at least once every three years. In addition, the implementation of a system to collect improved productivity data for use in management planning and decision-making is scheduled for October 15, 1977.

The second facet of the strategy is to develop standards in conjunction with the above two efforts. These standards will address the issue of organization and program performance levels. Deviations in output and/or cost effectiveness measures will alert management officials to possible problem areas in sufficient time to permit solutions. Moreover, the availability of variance data will facilitate program management decisions and help insure that those decisions are based on more concrete information than heretofore has been available.

What plans does the BIA have to insure that all levels of the Bureau have sufficient data, program information, and management information to enable them to efficiently manage and administer programs and personnel?

In order to confront this problem, the Bureau's ADP modernization program is focusing on an analysis of program, Central Office, Area, and Agency information requirements. This is an integral part of the Bureau's long-range data processing solution. The analysis will determine those data elements essential to meet user requirements and will probe viable alternatives to capturing these data elements.

In the short-range, methods to improve the acquisition, processing, and distribution of data are being studied. Each new, as well as existing, ADP requirement is being analyzed to determine precise user requirements and the capacity of the data element structure to meet these requirements. This effort will lead to assurance that information outputs are responsive to information needs of managers at all levels of the Bureau organization.

What is being done to provide a more direct and efficient information flow?

The Bureau recognizes that the implementation of a sound management information system depends not only on the acquisition of data but also on the timeliness, facility, and conciseness with which information generated from that data is made available to the user. Consequently, measurements of and standards for addressing these management information requirements are being studied in conjunction with the ADP modernization program. Because of the dynamic nature of information needs, the development of an information flow system responsive to the needs of the Bureau and capable of providing focus on the problems of communication of information between the ADP unit and the user is a project of some duration.

To illustrate this, the Bureau commenced its modernization program during the early portion of FY 1976. Not until FY 1978 will the Bureau have the results of a requirements analysis of Bureau needs, conducted with the assistance of GSA, reflected in a conceptual systems design. This effort will permit the development of an information acquisition, processing, and dissemination system about 1980. In the interim, the redesign of the Bureau's employee data and compensation, fund control reporting, and tribal enrollment systems has been initiated. This is a short-range solution to the problem of providing a more direct and efficient information flow to Bureau and tribal managers. The long-range solution will be developed along with the ADP modernization program.

What is being done to correct the deficiencies in the BIA data processing hardware?

An ADP Modernization Plan has been developed to cover fiscal year 1977 through fiscal year 1980 and to accomplish these specific objectives:

A. Improve access to BIA managers, Mission personnel, and to provide needed information to Indian and Alaska Natives.

B. Improve existing systems and resources to acquired modern computer hardware and technology.

The Department of Interior and BIA will utilize the ADP resources as a tool in achieving mission objectives and provide services in support of program activities in a timely and cost effective manner.

The Bureau is concerned about its ability to proceed at the pace planned and to meet the deadlines established because of a significant reduction in its budget request for ADP services in FY 1978. The Joint Conference Committee concurred with the language in the House Appropriation Committee's report in acting on the Bureau's FY 1978 appropriation request. The report says, "The Committee has also deferred funding of the budget request of $2,616,000 to implement the Bureau's Automatic Data Processing plan to permit modernization of the centralized ADP facilities located in Albuquerque, New Mexico."

ORGANIZATION OF THE BIA

What are your views on this recommendation and what plans do you have for implementation?

We recognize that there has been much dissatisfaction expressed by Indian people about the role and functions of the BIA Area Offices. The Management Study indicates that problems of excessive administrative costs, slowness in decision making, and poor communications have their roots in large part in the organization and roles of these offices. The Study also enunciates a number of objectives for sound management of the Bureau which we accept in principle, and which relate in large part to the Area Offices.

As yet, we do not have a course of action detailed to implement the specific recommendations of the Study concerning the Area Offices. We recognize, however, that major actions relating to them are called for and, therefore, we plan to address this matter in depth beginning immediately.

As you are aware, the Study does not go into detail on how the recommendations are to be carried out. We believe this is an important element of consideration which must be carefully planned in order to assure that the Bureau meets a variety of legal responsibilities required of it and sees that there is no disruption of vital services to the Indian people.

It is envisioned that the action taken on this recommendation will involve a process which will be both planned and implemented over a period of time. It is our intent to move immediately on this process, relying heavily on the Management Study as a guide, but also making specific determinations based on our own experiential considerations. As these are developed, we will be happy to share them with the Committee.

What is the Department's response to developing an expanded role for the Indian Technical Assistance Center in Denver as a model Regional Service Center to test and demonstrate the feasibility of the recommendation?

This recommendation came out of the final report of the Commission and is not included in the recommendation of the Management Study. We do not have a firm position on this at the present time, but are willing to give it careful consideration.

As the Committee is aware, the Bureau has had serious management problems at the ITAC office and since the first of the year has had underway an intensive effort to correct these problems. In so doing, it has recognized that the

nature of this operation is a unique delivery system. As we implement management improvements in the ITAC office, we will keep this potential and the Commission's recommendation in mind.

What is the Department's Response to a proposal to further expand the role of the Regional Service Center by including the operation of technical assistance and administration for other Indian programs run by other agencies such as EDA, HUD, etc., within the Service Center?

We recognize the large amount of fragmentation involving Federal programs authorized for Indian people. While sporadic efforts have been and continue to be made to better coordinate these programs, the total problem has never been satisfactorily addressed.

In accord with the Commission's recommendations, the Interior Department plans to take the lead in examining and responding to the recommendation for a separate Indian Agency. Particularly if this proves to be feasible, it seems logical that in the evolution of this process to provide for the kind inter-agency cooperation and coordination suggested by this question. At this time, and especially in the absence of contacts with the other Agencies, we are admittedly not able to give a definitive response.

What are the Department's views on establishing a legal office (general counsel's office) within BIA as opposed to retaining a division with the Solicitor's office within BIA?

We are opposed to this idea. While some of the rationale is appreciated we believe the Secretary would find himself in an intolerable situation on many issues with two lawyers giving legal advice. A third would be necessary to mediate differences.

Please respond to each recommendation of the Management Study regarding personnel management listed on page 57 of the Study and discussed more fully in the body of the study.

SECTION V. DIGEST OF RECOMMENDATIONS

Recommendations	Action required	Financial impact	Estimated amount
BUDGET PROCESS			
1. Establish a formal planning system within BIA and integrate it into the present budget process.	Executive		
2. Reorganize budgeting, planning, and intergovernmental relations into 1 integrated organization.	Executive		
3. Stimulate Indian participation in the budget process.	Executive		
4. Include all nonbanded area programs except trust funds in the agency budget formation process by fiscal 1979.	Executive	1-time cost	$50,000
5. Make the budget function responsible for variance analyses and performance reviews.	Executive		
6. Emphasize Indian participation and band analysis in the BIA budget review to the department, OMB, President, and Congress.	Executive		
7. Establish annual project planning at area and agency levels for all continuing programs and monitor performance quarterly on a personal basis, altering the plan to reflect status changes.	Executive	Annual saving	250,000
PERSONNEL MANAGEMENT			
8. Strengthen Indian preference to improve BIA effectiveness while continuing to hire, train and upgrade Indians for Bureau employment.	Executive		
9. Develop a human resources planning system using industrial engineering techniques to establish appropriate staffing levels and position requirement.	Executive	Annual saving 1-time cost	75,000,000 430,000
10. Develop an aggressive recruiting program to secure qualified or trainable Indians.	Executive	Annual cost 1-time cost	150,000 50,000
11. Reorganize the employment classification system to improve credibility.	Executive		
12. Improve BIA employee relations practices	Executive	1-time cost	100,000
13. Develop training programs to meet specific BIA requirements.	Executive	Annual cost 1-time cost	80,000 200,000
14. Continue regular civil service evaluations and upgrade personnel-management quality through Department of the Interior project manager appointments.	Executive	Annual cost	42,000

SECTION V. DIGEST OF RECOMMENDATIONS—Continued

Recommendations	Action required	Financial impact	Estimated amoun
MANAGEMENT INFORMATION			
15. Establish and install performance measurement standards.	Executive	Annual saving	15,000,000
16. Initiate a program to improve and facilitate general communications between central office and field supervisors.	Executive		
17. Develop a concise statement on critical issues	Executive		
18. Improve the management by objectives program	Executive		
19. Expedite the automatic data processing modernization study to insure completion by Jan. 1, 1977.	Executive	Annual cost Avoidance	10,000,000
20. Complete application analysis section of the modernization study by Oct. 1, 1976.	Executive		
21. Add remote access and interactive capabilities to reduce processing time and increase computer program development efficiency.	Executive		
22. Develop an inventory system for a comprehensive equipment management system.	Executive	Annual saving	6,000,000
23. Develop standardized material and supply inventory systems.	Executive	Annual saving 1-time saving	5,000,000 20,000,000

BUDGET PROCESS—SYNOPSIS

1. Establish a formal planning system within BIA and integrate it into the present budget process

Agree in principle but it will take time to accomplish. Any organizational and funding adjustments will be directed toward implementing this concept. To support this we need to: 1) develop and document an assessment of human and natural tribal assets and potential and provide an evaluation of resources available from other Federal, State, local and private agencies; 2) adopt a formal, integrated progress records and reporting system; and, 3) strengthen local (tribal) involvement and planning capacities to insure budget priorities are tribal priorities.

2. Reorganize budgeting, planning and intergovernmental relations into one integrated organization

Agree that Budgeting and Planning should be integrated but not with Intergovernmental Relations which should operate outside the budget and planning organization. Maximum cooperation and interchange of data should be encouraged. A careful monitoring of the operation and of the general direction of its efforts should be undertaken. We will explore further the possible benefits of consolidating the Central Office organization into one physical location.

3. Stimulate Indian participation in the budget process

Agree with this recommendation. The move to tribe-by-tribe budgeting, now underway, will increase Indian participation in the Budget process. Improved periodic reporting on program development and progress will help stimulate and maintain Indian interest. Also, need to develop tribal participation in the budget process at the national level, possibly through the offices of national tribal organizations.

4. Include all non-banded area programs, except trust funds, in the Agency budget formation process by fiscal year 1979

Agree in general but too late for FY 1979. Our stated goal and the general trend is to include increasing amounts of band dollars at the tribal level for their determination as to priority levels. Tribes have recently been surveyed as to which programs should be included in the band and which would be excluded. Our FY 1979 band forms and guidelines were developed based on this survey.

5. Make the budget function responsible for variance analyses and performance reviews

Agree that accountability and program and Bureau performance need to be systematically reviewed, but this should be carried out at a level higher than the Budget office. Recommend reports be produced twice a year rather than quarterly, at mid-year and again near the end of each year.

6. *Emphasize Indian participation and band analysis in the BIA budget review to the Department, OMB, President and Congress*

Agree with recommendations. Similar to number 3 and should probably be combined with it. General need to clarify the nature, purpose and application of the Band process and to certify the degree of Indian participation in the Budget and Band process. An effort to this end will be made in future budget cycles. The successful inclusion of national tribal groups into the priority setting functions will help.

7. *Establish annual project planning at area and agency levels for all continuing programs and monitor performance quarterly on a personal basis, altering the plan to reflect status changes*

Agree but semi-annual reviews rather than quarterly. A prerequisite to this recommendation is the adoption of a progress records and reports system as recommended under number 1.

CRITIQUE AND STATUS REPORT—FUNCTIONAL RECOMMENDATIONS—BUREAU OF INDIAN AFFAIRS MANAGEMENT STUDY

I. The budget process

A comprehensive review of Bureau of Indian Affairs operations and problems must first include a consideration of the unique and complicated nature of its duties. As noted in the report, the Bureau is unique . . . "because the client (it serves) formally participates in the budget process . . . which allows tribal councils to set priorities for selected programs."

The Bureau is also novel in that it is responsible for administering a wide variety of social and economic programs, each essential to the well-being of the Indians and each requiring their own special expertise and considerations. This makes for an unusually diverse and complex effort, requiring a good deal of coordination, that is not normally found in other Federal and private Agencies. This situation is further complicated by the Bureau's requirement to respond to a trust responsibility in protecting the resources and assets of the Indian Tribes and their members. This trust responsibility, which requires a specific response or directed effort to selected programs, creates a limiting effect on the flexibility of the Bureau's operation.

Another restricting factor in the Bureau's program and operating flexibility occurs when congressional and OMB requirements are made to provide predetermined levels of service and funding for selected programs. Neither the Tribes nor the Bureau have the option of assigning priorities to these programs and they must be conducted at levels established outside the Bureau.

With respect to the general criteria listed in pages 10 and 11 of the report, we agree that adherence to the management principles outlined in these criteria is desirable for the effective operations of a Budget and planning system. We have commented in some detail on our status concerning most of these criteria in our remarks made on the specific recommendations listed starting on page 13 of the report. Generally, we have been aware of the problems and deficiencies mentioned in the recommendations made in the report. While we are not in complete agreement that all the suggested changes will have beneficial effects, we do recognize that most of them are worthwhile and should be adopted, at least in part. In most cases, we are already in various stages of adopting these suggstions. Most of these recommendations are sweeping or will require extensive changes in our operation and will take time to complete.

The more deeply involved the Bureau and tribal governments become in the concept of Indian self-determination and Indian participation in the Bureau budget and program planning process the more need there will be for key tribal staff members to be trained in the technicalities of budget development and presentation. These same individuals should become long-term accessories in the tribal government's budget function in order to provide some continuity to tribal programs and efforts from administration-to-administration.

To this end, we propose that an extensive training program be developed and implemented for both Bureau managers and tribal governments. Recognizing the turnover factor in elective tribal governments and, in many cases, their financial constraints, the Bureau should fund a permanent tribal staff of individuals responsible to their respective tribes with responsibilities of providing continued technical assistance to the tribe in terms of the Bureau budget process.

No. 1. Establish a formal planning system within BIA and integrate it into the present budget process.

We agree with this recommendation in principle. It will take time to pull this activity together in a way that will enable us to properly integrate planning into the budget process. However, any organizational and funding adjustments will be directed toward implementing this concept. Also, in support of the planning operation, an integrated progress records and reporting system (accountability) is essential and will be adopted.

The consolidation of the planning and budget processes is a logical approach to providing the tribes with more meaningful and better information. It will provide a better working relationship between the tribes and BIA. This improved relationship is essential if the tribes are to take full advantage of the self-determination opportunities being made available under Public Law 93-638.

In developing realistic comprehensive plans, all potential resources must be accounted for and considered. This will involve a wide variety of activities that are not always under local control or are sponsored by other Federal, State or local Agencies as well as private entities. Resources that are available outside the BIA jurisdiction is a factor that has never been properly considered in the past when developing BIA program plans. In many of these instances, BIA may provide supporting funds and/or services but cannot control these activities or do much of the actual planning involving these activities. It does not, however, eliminate the need for assessment of the local situation and evaluation of these resources when developing local and Bureau-wide programs.

To be truly effective and meaningful, comprehensive planning must have its genesis at the local level and the primary local planner must be the tribe. Many tribes do not have the capability necessary to produce acceptable planning documents nor do they have the financial resources necessary to hire competent planners. There is a need to strengthen tribal planning capacities if we are to have meaningful tribal priorities. It is essential that priorities established in overall Bureau planning be developed at the tribal level. To accomplish this, one emphasis of self-determination grants could be for local tribal planning.

We agree that before any long range plans are developed, the tribe's present situation should be carefully documented. These analyses should include a comprehensive inventory of tribal assets and potential, both human and natural, and should also include a survey of its current social and economic conditions. The Bureau is constantly encouraging Tribal efforts to document their resources and such analyses already exist in varying degrees of completion for a number of tribes. These could become the basis for more comprehensive efforts required for long-range planning. Although a number of attempts have been made in the past to promote long-range planning in the BIA, none of these attempts have been particularly successful and none have produced much in the nature of useful or workable plans. This can be attributed, in part, to a lack of commitment and follow-through on the part of the BIA and a lack of understanding by the tribes. It also reflects a continuum of change in Bureau leadership.

The proposed approach in this recommendation is to identify total needs and an optimum condition then draw up a 5-year plan to achieve it. However, unless the additional resources needed to attain this goal are available, the end product will be purely theoretical.

In construction, economic development, land development and new activities, a 5-year plan is especially valuable. On the other hand for the day-to-day activities making up many of the programs a simple restructuring or reorganizing of the existing programs is a more practical focus than long-range planning.

Further, working with tribes on the budget process and program plans beyond the 18 month period presently being used will generate some difficulties because of the rapid turnover in tribal leaders in many tribes. There is a tendency for newly elected tribal officials to reject plans and proposals developed and endorsed by previous administrations to the extent that much of the long-range planning developed at the tribal level tends to be changed from year to year. We believe this to be a real life factor concerning which the Congress and the administration must be acutely aware.

No. 2. Reorganize Budgeting, Planning and Intergovernmental Relations into one Integrated Organization.

With the exception of Intergovernmental relations, which we feel should not become a part of this proposed budgeting and planning organization, we agree with this recommendation. The mating of budget and planning activities into one operation would present a strong focal point for the entire planning and budgeting process and would be particularly appropriate and advantageous with the establishment of a formal planning system as proposed in recommendation No. 1. From a Bureau-wide viewpoint, the functions of budget and planning should naturally go hand-in-hand. However, the chart in the study report seems to propose a planning line from Central Office to Agency to tribe, by-passing the regular line organization, As we are now organized, such a change would involve every function in the Bureau.

Whatever organizational arrangement is adopted it is important that maximum cooperation and interchange of data between the operating units be encouraged. These groups should be very flexible and kept as informal as possible.

To maintain the integrity of the proposed organization it would undoubtedly be desirable to conduct periodic checks on the operation and on the general direction of its efforts. A careful monitoring of the operation could also lead to program revisions and the introduction of new ideas as the budget cycle moves forward and experience is gained.

With respect to intergovernmental relations, we recommend that the activity retain its independence or operate outside the province of the budget and planning operation. In any case, wherever this function is placed, it should be (as it is) a liaison coordinating and reporting unit. The responsibility for coordinating a BIA program with other Agencies rests with the program people at various levels and not with the intergovernmental relations office. However, this in no way detracts from the recognized importance of coordination with other agencies in the budget process. The report also recommends that the Central Office organization be consolidated into one physical location. It is possible that some benefits would be derived from this recommendation and this will be explored in greater depth in the time immediately ahead.

No. 3. Stimulate Indian participation in the budget process.

We agree with the general recommendation.

It is recognized that although Bureau efforts to stimulate Indian interest and participation in the budget process have increased in the past several years, there is still a great deal of apathy and distrust on the part of many tribes insofar as budget preparation and development are concerned. With increasing interest in Indian self-determination it becomes correspondingly important for tribes to become familiar with the budget process and to fully participate in its development.

The Bureau intends to move toward budgeting on a tribe-by-tribe basis. When this plan becomes functional, it will go a long way toward stimulating Indian participation in the budget process.

The question then becomes how to reduce frustration on the part of Tribes when their plans do not generate as much progress as they anticipate. In this instance, periodic reporting on program development during each current year, as suggested in recommendation number 7, would help. Also, the new computer network and more computer capability will provide a new opportunity to keep each tribe informed as the budget year progresses.

At some point in time after the program plans have been developed and funding allocations have been made, a monitoring system should be applied to measure the amount of funding each tribe receives in relation to total BIA funding and the expressed tribal priorities. Hopefully, such a monitoring system will indicate that funds are being distributed along priorities developed.

No. 4. Include all nonbanded area programs except trust funds in the agency budget formation process by fiscal year 1979.

In general, we agree with the principle of this recommendation. In order to have good program planning by tribes at the Agency level, it is necessary for them to know what assistance they can expect from other levels of the Bureau. Therefore, at the time they make funding priority decisions and develop program plans, information on other program assistance from the Area and Central Office sources should be available to them.

A report that will provide total cost figures at the Agency level and a further breakout of the controlled and uncontrolled figures as suggested in this recommendation will provide each tribe with the basic information necessary for realistic budgeting and would certainly improve local planning possibilities. It would be especially useful for tribes that are considering taking advantage of self-determination options provided under Public Law 93-638. We are moving affirmatively in this direction.

The backbone of successful tribal planning, however, remains with the successful application of the band process and in order to include tribal leaders in as many aspects of the budget process as possible, last January we sent a questionnaire to each Tribal Chairman as well as to each Area Director and Superintendent and asked them which programs or activities they would like to have on the Band and which they would prefer be left off. Based on the responses we received, we developed the Band forms and guidelines which are currently being used for the fiscal year 1979 budget cycle. Although there is agreement among most tribal leaders and supporters of the Band process that if the process is to be successful it must be applied to a maximum number of Bureau programs, and developed at the lowest possible level; we are too far into the fiscal year 1979 budget cycle to attempt major adjustments. Our stated goal and the general trend is to include increasing amounts of band dollars at the tribal level for their determinations as to priority levels but this can't be completed all at once. However, our 1979 budget effort moves strongly in this direction.

It should be noted that inclusion in the Band system of some of the programs not currently on the Band at the tribal level becomes, in some cases, a policy question and will require the full support of OMB, the Department, and the program directors that will be affected by such changes. Also, if it is determined that allocated costs are to be changed through local decisions, then we can proceed with this proposal. However, if they can't, then there is not much point in pursuing this. A careful consideration of what impact cost allocations could have on budget decisions should be made.

Finally, the report suggests the need for an equity determination. This is a particularly troublesome problem that has been with us for a long time. The further we go into local planning the more this will become an issue that will have to be resolved.

No. 5. Make the budget function responsible for variance analyses and performance review.

We agree that accountability has long been neglected by the Bureau and that there is a need to review program and overall Bureau performance on an orderly and systematic basis. We plan to move positively on this. A formal, semi-annual review of current program performance and budget variations requiring corrective actions as the current year progresses would provide a better trail of the changes that occur during the operating year and would eliminate end of year snap decisions and program actions. It would tend to produce more even program development on a year round basis.

We also agree with the analysis that effective, uniform application of appropriate analyses procedures can serve management both as a control and a motivational device and that performance reviews aid managers in establishing proper corrective action to bring operating activities plans into line.

The Bureau does not consist of one single program or activity, but is made up of a number of complex and diverse programs. The role of program performance review and the accompanying program adjustments properly belongs with each Program office and should be the responsibility of each Program Director or manager.

Overall performance review and supervision belongs at a higher level than in the Budget office where sufficient authority exists to require that corrective actions be taken to resolve program deficiencies. The role of the Budget office in this operation should be mainly that of data gathering, tabulation coordination and dissemination of information among the various Program activities. As part of this activity Budget should have the responsibility of developing adequate performance measurements to indicate if each Program activity and the Bureau as a whole are performing on schedule. This would be in the form of a staff review process for the Commissioner or Assistant Secretary.

The Bureau has attempted to develop periodic reviews and evaluation of program development and variations in the past. The effectiveness and benefits from such actions were minimal because there was little dedication to the process and a complete lack of follow through existed. The suggested quarterly review of program progress is excessive. If this operation is to be done effectively it must be done in some depth and will be quite time consuming. Quarterly reporting will require too much time. Reviewing conditions at approximately mid-year and again near the end of each year will be adequate and will be more receptive to the operating personnel charged with the responsibility of producing these reports.

No. 6. Emphasize Indian participation and band analysis in the BIA budget review to the Department, OMB, President and Congress.

This recommendation is closely related to recommendation No. 3, to "Stimulate Indian participation in the budget process" and should probably be combined with it.

We agree that there exists a great deal of confusion regarding the nature, purpose and application of the Band process as far as Indian program development is concerned and the current degree of Indian participation in the Budget and Band process. This confusion exists at all levels of budget development and is the result of a lack of proper public relations on the part of the Bureau as far as the Band process is concerned. Because we have been applying the Band process to budget development for a number of years, we tend to take it for granted that it is clearly understood and appreciated by all who come in contact with it. We are probably not sufficiently cognizant of tribal personnel changes.

We also agree that additional documentation and support of tribal priorities and banded programs should be clearly identified and the degree of Indian participation in the Band process and in the budget review should be documented and made a part of the budget presentation that is sent forward to the Department, OMB, and Congress. A concentrated effort to that end will be made by the Bureau in future Budget cycles.

If we are successful in including national tribal groups into the priority setting functions of the budget cycle, this would go a long way toward increasing recognition of the tribal influence in BIA budget development.

No. 7. Establish annual project planning at area and agency levels for all continuing programs and monitor performance quarterly on a personal basis, altering the plan to reflect status changes.

We agree in principle with this recommendation but, as noted under recommendation No. 5, we consider quarterly reviews as being too frequent and would tend to be counter productive. If program personnel are charged with only two key reporting dates each year there is a better chance that these dates will be honored. Experience indicates that anything more frequent than this requires too much effort and just does not happen on a continuing basis. The adoption of a progress records and reports system, discussed under recommendation No. 1, is an absolute prerequisite. There is no point in making plans if the ability and tools necessary to monitor progress on those plans does not exist.

PERSONNEL MANAGEMENT—SYNOPSIS

No. 8. Strengthen Indian Preference to improve BIA effectiveness while continuing to hire, train and upgrade Indians for bureau employment.

Action Plan Item HR-5—On May 26, 1977, a new policy guideline was issued concerning the qualification and selection process specifically relating to administration of Indian Preference. Qualification Training now going in Albuquerque for all Staffing Specialists.

No. 9. Develop a human resources planning system using industrial engineering techniques to establish appropriate staffing levels and position requirements.

Action Plan Item HR-1—Mr. David Rector from Federal Executive Development Program hired to develop and forecast needs and design ongoing system. He is still working on project.

No. 10. Develop an aggressive recruiting program to secure qualified or trainable Indians.

Action Plan Items HR-2 and 3—In fiscal year 1979 Budget request we have indicated need for funds and ceiling for 1st Indian intake and development program. Will be long range program to meet manpower needs in professional and administration positions. Still in planning, (a) on going positive recruitment, (b) centralized Indian skills inventory, and (c) centralized Indian Affairs jobs availability listing.

No. 11. Reorganize the employment classification system to improve credibility.

Action Plan Items 11-A, C & D—Staff capability has been increased in Central Office. Classification guidelines have been issued for several positions and more will be worked. Organization planning and position management policy issued May 1977. New reporting procedures for cyclic audits published. Policy communicating Commissions support regarding accurate position descriptions issued June 1977. Continue to provide onsite technical assistance.

No. 12. Improve BIA employee relations practices.

No specific action item covers employee relations, however, implementation of all steps will improve all areas discussed in this report, i.e., proper classification and pay, better recruiting, revise Performance Evaluation program, and accomplish training as planned and listed in response to recommendation 13.

No. 13. Develop training programs to meet specific BIA requirements.

Action Plan Items HR-12 and G.5 A.—Communication workshops in Personnel Management either completed or in progress for all Area Offices. Indian Intake Program for FY 1979 covered in recommendation 10. New training modules developed and published on (1) the BIA Career Development System, (2) Promotion and internal placement, (3) Freedom of Information and Privacy Act. Nine more modules are now in development stages.

No. 14. Continue regular Civil Service evaluations and upgrade personnel management quality through Department of Interior Project Manager appointments.

Regular CSC evaluations will continue according to CSC schedule. Project Manager from Department has been extended. In addition, the Bureau has established a Branch of Personnel Management Evaluation in the Division of Personnel Management. This branch will conduct evaluations, coordinating where possible with the Civil Service Commission and the Department.

II. PERSONNEL MANAGEMENT

A series of events have taken place over the past few years which has resulted in a joint effort on the part of the Office of the Secretary and the Bureau of Indian Affairs to cooperatively work in improving the Bureau's Personnel Management Program. This led, in April 1976, to designating a Project Manager from the Department working full-time with Bureau Management in both the Washington office and all of the field activities to continue studies for personnel management improvement. As a result of an intensive study the present Personnel Management Action Plan was approved by the Commissioner on January 3, 1977. Most of the findings and recommendations of the American Indian Policy Review Commission tend to dovetail with our own reviews and Personnel Management Action Plan. Many of these steps have been completed or progress is being made toward implementation of the recommendations. At approximately the same time a nationwide recruiting effort took place to fill the vacant Chief Personnel Officer position. One more measure provided several additional positions to the understaffed Washington office, Division of Personnel Management. This permitted restructuring the Branch of Position Classification and establishing a Branch of Management Evaluation. During the summer the Personnel Action Plan is being reassessed and will be reissued in an updated format in September. The Office of the Secretary has a continuing and strong commitment to give assistance and guidance to the Bureau of Indian Affairs in the common effort to improve Bureau personnel management.

Action Plan Item HR 5, 8 and 9 speak to this recommendation.

(8) Indian preference will be strengthened in the qualification process. We have recognized the need for increased guidelines and training in respect to the administration of the qualification process. Recently issued guidelines stress the need for quality staffing procedures as they relate to the determination of qualifications as well as specific factors to be considered regarding the acceptability of candidates. In addition a Bureau-wide training session will be conducted this month which will equip the Personnel Staffing element with greater understanding and improved expertise resulting in better quality candidates in the Bureau.

Realizing the need for clarification in recruitment of Indians, procedural guidelines were issued for expanding the area of consideration and utilization of job design. These guidelines were designed to emphasize the need to make concerted efforts to recruit highly qualified candidates. A separate clear statement for non-Indian candidates to read and sign concerning Indian preference and the effects it will have on employment or promotional possibilities has been published. A clearer understanding by the non-Indian employees will tend to eliminate a certain amount of unrest generated after a few months of employment in the Bureau.

The report says that the Bureau has three categories "Highly Qualified," "Qualified" and "Minimally Qualified." It must be pointed out that within our personnel system of rating applications to determine who is qualified for a job, we do not have a category for "Minimally Qualified" individuals. I think the confusion might arise in the language used by the Civil Service Commission wherein they refer to "minimum qualification." Perhaps it might eliminate this type of confusion by merely using the word qualifications. Everyone—Indian or non-Indian—must meet the basic qualifications standards as outlined by the Civil Service Commission or the Bureau's excepted qualification standards. That is to say, if two individuals apply for a position—one Indian and one non-Indian, and they are both found to meet the basic qualifications I have just mentioned, then they are both qualified—not minimally qualified. The use of the other two categories "Highly Qualified and Best Qualified" is a requirement under Civil Service regulations. However, this process is a part of the ranking process to determine who the best qualified candidates will be for referral, and not part of the process for determining who is qualified for the job. Qualified non-Indian candidates cannot be considered for positions as long as there are qualified Indian candidates available. It's conceivable that by having two categories, "qualified and not qualified," and eliminating the ranking process might hasten recruitment; however, there should be some tool used to designate the "best" applicants for the position.

(9) Action plan Item HR-1 speaks to this issue. An employee who is an EPA participant in the Federal Executive Development Program has undertaken the project of estimating the Bureau's manpower needs and designing a continuing forecasting system. This employee started on a full-time basis April 4, for 1½ months, then spent one month away from the project while assigned to the President's Reorganization Project. Upon his return he will be able to continue the forecasting work on a part-time basis.

The use of industrial engineering work measurement techniques may be used for certain types of functions in the measurable productivity units. However, there will be functions within the Bureau that will require utilization of other techniques to develop manpower requirements. We also agree that the Bureau is presently lacking in personnel and program performance standards. The Bureau has a plan to meet this need through the development of performance guidelines and manpower utilization studies throughout the Bureau, which is now being implemented. We are unable to concur with the generalized, but unsupported statement that $75,000,000 in annual savings will take place if industrial engineering techniques were applied. We would be happy, however, to review any back-up material the Commission might have in order to study further its applicability to the Bureau.

(10) Action Items Hr-2 and 3 speak to this issue. While this is a specific item in the Bureau's action plan, it is running behind schedule. The plan calls for hiring for one year a Project Leader to develop (a) a positive recruitment system, (b) a centralized Indian Affairs jobs available listing and, (c) a centralized Indian skills inventory. A candidate was selected who subsequently declined and we are still in the process to start this action item.

Despite these initial delays, through the normal fiscal year 1979 budget process the Bureau has already indicated the need for 100 ceiling slots plus funds to cover the first Indian intake and development increment to commence October 1978. This long-range program to meet forecasted manpower needs in all professional and administrative management occupations will start addressing the issue of adequate numbers of qualified Indian employees in years to come.

(11) Action plan Items 11A-D, speak to this recommendation.

Questions regarding development of single agency standards or separate distinct occupational series for BIA can be answered by reference to 11A.

Questions related to improving classification systems and procedures can be answered by reference to 11B.

Questions relating to management support required to improve the responsiveness and credibility of the classification process can be answered by reference to 11C.

Questions about filling classification vacancies and training classifiers and line management officials can be answered by reference to 11D.

Reorganize the Employment Classification System to Improve Credibility.

(11A) *Develop a separate, district occupational series for BIA to reorganize its unique needs.*—We disagree with this recommendation. Most Bureau positions can be evaluated by comparison to existing Civil Service Commission standards. In addition, single agency standards require prior CSC approval which is extremely time consuming. The CSC involvement in converting to the Factor Evaluation System over the next five years would further delay review and approval of proposed BIA standards. The major problem in the past has been the lack of classification guidance from Bureau headquarters. The Area Offices went their separate ways; misclassification and serious inconsistencies resulted and are the major problems we face today. We are vigorously attacking this problem by developing classification guidelines for specific occupations for our field activities. These guidelines are based on paper reviews, on-site visits, desk audits and input and assistance from Central Office and Area Program managers. Depending on the particular occupation being studied, the guidelines contain series and titling instructions, model position descriptions and classification rationale indicating standards reference and interpretations of grade level determinations. These guides have the same impact as single agency standards, do not require CSC approval, and will result in more consistent, accurate and timely classification decisions. Efforts completed or currently underway are as follows:

Vocational Development Specialists (completed March 1977),

Teachers (completed March 1977).

Education Aids and Technicians (estimated July 1977 completions).

Law Enforcement and Police Officers Positions (estimate July 1977 completions).

Wage Grade Positions (guidelines issued in March and June 1977; continuing).

Clerical Positions (estimate July 1977 completion).

Tribal Operations (estimate August 1977 completion).

Housing Development (estimate late Summer 1977 completion).

Title Plant Positions (estimate July 1977 completion).

Road Engineers (estimate Fall 1977 completion).

Administration Managers/Officers (estimate late Summer 1977 completion).

Social Workers (estimate July 1977 completion).

Superintendents (continuing project; completion date not determined).

Position Changes Resulting from P.L. 93-638 Actions (estimate July 1977 completion).

We plan to study other areas in the near future including forestry, realty, appraisal, plant management, credit, industrial development, etc.

(11B) *There is no organized review policy. A regular system of classification audits must be established.*—We agree completely with this recommendation and have taken positive actions toward achieving these objectives. These actions are designed to streamline and systematize the classification process; to make it more effective and efficient and to improve credibility. The following examples are illustrative:

Developed policy material on organization planning and positions management improvement procedures approved by the Acting Deputy Commissioner on May 11, 1977. Should improve organizational and position design and force more effective, efficient use of human resources.

Draft input to the proposed Department Manual covering position classification was accepted virtually unchanged. Final version will contain overall policy guidance in position classification. Estimate completion of Bureau action in late Summer 1977.

Reminded field activities of cyclic review requirements and collected data for first six months of fiscal year 1977. Developed new format for data reporting beginning with second half of fiscal year 1977. This is a continuing effort and will eventually result in a planned, systematic classification program.

Directed field activities to conduct statutory annual review of positions (Whitten Review) and report results to the Central Office by the end of the fiscal year.

Two policy papers related to the Indian Preference impact on position classification are currently being prepared. One relates to exceptions to merit promotion procedures because of the assignment of additional duties to positions; the other deals with distinguishing between new and successor positions.

(11C)—*Top management support, clearly communicated to all levels, is absolutely necessary for system integrity. The Commissioner must clearly communicate his commitment and support to ensure that classifiers and line managers are properly trained for system integrity.*—We fully agree with this recommendation and believe it to be absolutely essential if we are to significantly improve the personnel program. Management support is critical at the Central Office, Area and Agency levels because it is the one ingredient necessary for overall program improvement. It affects all functional aspects of the personnel program. We have accomplished the following specific classification items in support of this recommendation:

Developed policy material regarding improvements in organization and position management mentioned earlier. A cover letter specifically expressing the Acting Deputy Commissioner's support of the policy objectives and concepts transmitted the material to all Central Office and field activities in early May 1977.

A policy letter regarding preparation of accurate position descriptions was signed by the Acting Deputy Commissioner in June 1977. This letter was addressed to all supervisors and managers and discussed the reasons behind the requirement for accurate position descriptions and furnished information regarding the importance of good position design and preparation of position descriptions.

Developed a position description for the proposed Deputy Commissioner (Management) position agreed to under the improvement Action Plan. This would be a line position reporting directly to the Commissioner with responsibility for improving and refining the Bureau management process to make it more effective.

Returned classification authority in March and June 1977 to all Area Personnel Offices except Aberdeen, Billings and Muskogee. The authority had been withdrawn in April 1976. Since that time, approximately 500 cases were reviewed by the Central Office staff. We returned the authority to those Areas who had demonstrated top management support for the program as well as the staff capability to accomplish the work.

Provided on-site technical assistance visits to every Area Personnel Office and the Field Administration Office during the past year. These visits were to reduce classification backlogs, study classification problems in various functional areas and explain classification policy guidelines issued. This is one of our most important functions and we must increase this activity during the next fiscal year. Full travel funding and management support at all levels is absolutely essential.

(11D)—*Insure that classifiers and line Managers are properly trained for system integrity. Qualified personnel for this specialty area are in short supply and turnover is high.*—We agree fully with this recommendation. The Central Office and Area Personnel Offices have taken significant action to improve the level and quality of classification staff support and train line managers regarding their responsibilities for accurate position classification and good position management. The more significant actions are summarized below:

Staff capability has been increased in the Central Office. In addition to the Chief Classification Officer, five additional classifiers were recruited, one of which was later reassigned to the Personnel Services branch. One clerical support position was added. Two vacancies have not been filled due to ceiling and money restraints; however, we hope to fill them as soon as controls are lifted.

Area Personnel Staffs have been improved. Several have added staff, including Albuquerque, Muskogee, Phoenix and Navajo. Others, including Aberdeen, Billings, Juneau, Portland and the Albuquerque Field Administrative Office have vacant positions. We are attempting to help them by advertising their vacancies in the Departmentwide listing and the Classification and Compensation Society Newsletter. Recruiting effort is difficult because of the location of some of our offices, Indian Preference policies related to hiring and promotion; and the general scarcity of qualified journeyman classification specialist.

Bureau managers at all levels continue to receive training in position classification and position management principles and techniques and the new Factor Evaluation System for classifying General Schedule Occupations now being implemented by the Civil Service Commission. The Central Office is developing a model training module which should be distributed sometime in the fall of 1977.

Most Classification staffs have been trained in FES and basic classification techniques. Some advance training is required and will be emphasized during the next fiscal year.

A conference of all Bureau classifiers is required to facilitate exchange of information and ideas and to insure consistent interpretation of policy and classification guidelines which have been issued.

(12) No specific action plan item covers this recommendation as stated. However, implementation of all steps of the action plan will have effect on employee relations. In addition there are several other activities in progress that relate to this recommendation.

Labor Relations: There is an implication in the report that unionization is not desirable and can be prevented by improving management. Perhaps the authors, relying on private sector experience under the National Labor Relations Act, were not aware of the expressed public policy endorsed by the last four Presidents and outlined in Executive Order 11491, as amended that ". . . the well-being of employees and efficient administration of the Government are benefited by providing employees an opportunity to participate in the formulation and implementation of personnel policies and practices affecting the conditions of their employment; and the participation of employees should be improved through the maintenance of constructive and cooperative relationships between labor organizations and management officials."

Our experience has indicated that the labor organizations function as an effective means of communication between management and employees of matters that affect the employee/employer relationship.

(13) Action Plan Items HR-12 and G 5 A, speak to this recommendation. A Bureau-wide workshop for BIA employee development officers in Oklahoma City, November 9–11, was convened to:

(1) share work skills and experiences common to Bureau operations;

(2) produce a better communications network among BIA employee development officers creating an open environment for creative planning and evaluation of BIA Employee Development Programs;

(3) begin designing the major structure of the Bureau's training and development system in cooperation with the Staffing and Classification functions.

One result was a small group workshop in Washington in March 1977, out of which came the format for a Role Clarification and Problem Solving Communication Workshop on personnel management for managers, supervisors and personel staffs. These workshops have been scheduled for each Area and are to be completed by the end of August 1977. The first was held in the Muskogee Area during the week of June 20. These are aimed at hammering out differences and difficulties between managers and supervisors and personnel shops.

A second major project underway growing out of the Oklahoma City experience is the development of a management orientation for managers. Materials are currently being gathered for this effort. Two versions of this program are envisioned: One for new superintendents and one for new managers in general. We expect to pilot test the superintendent program in October 1977. A small work group of field and Central Office managers are working on it.

Communications and professional exchange of information have been stepped up during the past year through on-site visits by employee development specialists on the Commissioner's staff with the Area Office employee development staffs in the Juneau, Billings, Sacramento, and Navajo Areas.

New training modules developed in-house for Bureau supervisors were initiated on the following topics:

(1) The BIA Career Development System.
(2) Promotion and Internal Placement.
(3) Freedom of Information and Privacy Act.

During the remainder of this year and 1978 modules listed below are anticipated:

(1) Upward Mobility.
(2) Public Law 93–638 Orientation.
(3) Equal Employment Opportunity.
(4) Staffing.
(5) Position Classification.
(6) Employee Relations.
(7) Labor Relations.
(8) Special Programs.
(9) Indian Preference.

A training agreement with the Civil Service Commission to encourage Social Service Representatives working for the Bureau to complete their professional training and become Social Workers was reinstituted in 1977.

A quarterly Bureau-wide employee training and development newsletter, The Developer, was primered in early 1977.

Action Plan PF–5 deals with program evaluation.

(14) In February 1977 a joint agreement between the Bureau and Department was reached to continue the role of the Project Manager for an additional 9–12 months period from the original March 1976 agreement.

As stated in the opening remark the Division of Personnel Management has recently established a Branch of Personnel Management Evaluation. This Branch will be conducting such evaluations within the Bureau, coordinating where possible with the Civil Service Commission's and Department's evaluations. Our work plan calls for evaluating four (4) area offices each year which will cover each office on a three (3) year cycle.

We do, however, believe implementing this program as planned will cost considerably more than the $42,000 estimate in the report. The annual salaries for fiscal year 1978 for this branch will be $87,702.00, added to this will be the travel requirements for a minimum of 4 visits each year by a team of 2–4 employees to conduct the evaluations.

Requirements Critical to Continued Improvement in Classification:

Management support at all levels to restore order and credibility to the total process. This requires integrity on the part of all concerned managers and classification specialists alike so that decisions are based on all the facts applicable to a particular situation.

Adequate funding and ceiling to assure full staffing of the classification function at both the Central Office and Area levels.

Adequate funding to enable Area Office Classification staffs to perform on-site surveys at the Agencies and schools. This is absolutely essential to meeting statutory position review requirements, maintain accurate position classification and restore management and employee credibility in the program.

Adequate funding to enable Central Office staff to increase assistance visits to field activities. This is a big payoff function because it results in direct accumulation of factual data for Bureauwide studies; provides direct assistance to field activities in keeping backlogs to a minimum and provides on-the-spot resolution of difficult problems; and insures continued consistency of approach in problem solution and application of Bureau policy guidance.

The BIA has taken a number of initiatives towards meeting the need for improved supervisory performance.

A. Bureau managers are advised of the various non-Bureau sources of supervisory training. These courses include:
(1) The Department's Supervisory Training Program.
(2) Civil Service Commission courses for supervisors.
(3) Locally available courses through colleges and universities.

B. The Bureau has a self-study course entitled, "Pre-Supervisory Training" available to employees who aspire to become supervisors and to new supervisors who have not previously completed the program. (Attachment IIIB)

C. The Bureau is developing supervisory training materials for Bureauwide use on personnel management topics. Unique personnel management issues in BIA will be dealt with in these sessions. Guides developed and distributed for use within the last year include the following:
(1) Career Development System.
(2) Promotion and internal Placement.
(3) Freedom of Information and Privacy Act.

Guides on the following topics are scheduled to be developed and distributed within the BIA during this fiscal year and 1978.
(1) Upward Mobility.
(2) Public Law 93–638 Orientation.
(3) The BIA EEO Affirmative Action Plan.
(4) Staffing
(5) Position Classification
(6) Employee Relations
(7) Labor Relations
(8) Special Programs
(9) Indian Preference

The above materials are designed for groups of supervisors to use throughout the Bureau under competent leadership to develop an understanding of their responsibilities in the subject areas of subject matter.

COMMUNICATION AND MORALE

The report identifies poor communications and the absence of two-way communications as seriously affecting the effectiveness of the Bureau. While every organization suffers from some form of communication problems, we have recognized significant needs for improvement in this area and meaningful work has been initiated. The Personnel Action Plan has been the Vehicle for a series of expanded Commissioner's staff meetings in which the personnel staff has had an opportunity to meet and discuss a number of human relations topics with the Bureau's Executives. In addition, several Office Directors have held all-employee meetings in Washington to discuss the Personnel Action Plan and answer employees' questions. There are other important communication links between Bureau management and the Bureau's employees. We have already mentioned the 100 exclusive labor recognitions in the Bureau which serve as sounding boards for the implementation of personnel policies. The Bureau also has granted National Consultation Rights to the National Federation of Federal Employees (NFFE) which requires that every new or changed personnel policy be submitted to NFFE and that their comments be seriously considered prior to implementation. Our experience has been that many employees participate in policy development through this consultative machinery. Many of our Area Offices regularly publish newsletters for all employees which highlight changes in personnel policies. The Bureau requires that bulletin boards have various policies and regulations posted where employees have access to them. The Bureau distributes a variety of manuals and handbooks from various sources on personnel and labor relations subjects which give detailed guidance to managers and supervisors on such subjects as: Labor contract administration and negotiation of labor agreements.

We are now revising the Bureau's Performance Evaluation program, which is a big feature of a sound employee relations program. The goal of this program is to communicate to each employee what management expects him or her to do in the position they occupy, and establish standards of performance that form the basis for awards and punishments.

The Bureau provides for formal upward communication of dissatisfactions and concerns on human relations issues by employees in the Grievance Procedure. The Bureau procedure in 1976 processed hundreds of individual employee grievances, the overwhelming majority of which were settled at the informal stage. However, on a bureau-wide basis 134 grievances reached the formal stage and 38 hearings were held. Note: Several of these hearings involved appeals of adverse actions. The Bureau is actively working with the Department to make significant changes in the present grievance procedure to improve it as a problem solving vehicle.

DISCIPLINE AND ADVERSE ACTIONS

The basic source of guidance on ethical conduct of BIA employees is Part 20, DM 735 Department of the Interior Regulations Employee Responsibilities and Conduct. It is the expressed policy of the Bureau to use discipline as a constructive tool in securing maximum employee contribution to the Bureau mission. Our discipline policy encourages both supervisors and employees to maximize the use of motivators in securing employee contributions to the accomplishment of the Bureau's mission. To this end the Bureau has made a major commitment to an Incentive Awards program which annually recognizes 480 employees who have significantly exceeded normal standards of accomplishment. Notwithstanding these positive motivators, corrective discipline is sometimes required both to correct offending employees and to maintain discipline and morale among all employees. Effective discipline is timely, fair and effects positive results. We are now in the process of publishing a new Bureau handbook on Employee Responsibilities and Conduct, which gives detailed guidance to managers and supervisors on how to establish a constructive and positive discipline program.

It should be noted that almost one-half of all BIA employees are in the Excepted Service and, therefore, do not enjoy the right to appeal their Adverse Actions to the Federal Employees Appeals Authority as do most Federal Employees. The Bureau and the Department have, therefore, established an appeals procedure for such employees which includes a full evidentiary hearing to correct this inequity. In this manner all Bureau employees have full due process rights to a thorough review of all Adverse Actions to insure against arbitrary treatment. While many Federal Agencies do not provide such a program for their excepted employees because of the time and expense involved, BIA believes that all employees should be entitled to a full and fair hearing where important employment rights issues are at stake.

DECREASING NEED FOR THIRD PARTY INTERVENTION

The report identifies a need to improve the training of managers and supervisors in labor relations topics. We heartily agree that more training is necessary although 600 managers and supervisors have attended such training in the last three years. High turnover and numerous transfers and reassignments have decreased the benefits of such training.

One goal identified by the report is to decrease the need for third-party intervention in management-employee relations. Perhaps a few comments on this recommended goal are in order: (1) EO. 11491 as amended and the Bureau's grievance procedure grant protected rights to the union and each employee to request such intervention when they feel it is required (Management cannot control third party intervention). (2) There is often a therapeutic effect when a third party enters a dispute where both parties will not or cannot compromise. (3) Where a serious problem exists it is in the long term interest of the organization to recognize it and deal with it and, (4) A strong pro-active management labor relations program which seeks to maintain managerial control of the organization and the ability to accomplish the Bureau's mission will often increase third party intervention over the short term. For these reasons we feel it is not meaningful to count instances of third party intervention and make assessments without consideration of the reasons for such intervention. We think a more realistic approach is to attract and train labor and employee relations specialists who are capable of maximizing the benefits of third party cases and protecting the Bureau's ability to accomplish its mission.

CONFLICT OF INTEREST

While the regulations governing employment and financial interests of employees are located in 20 DM 735 Employee Responsibilities and Conduct, we believe a separate discussion of this topic is called for. In general, the regulations which apply to BIA are the same as those that apply to all federal employees. However, in recent months there has been a recognition that the Bureau's Self Determination and Indian Preference obligations create a unique circumstance for Native Americans employed by the Bureau. After months of research, preparation, drafting and consultation with the Department's legal staff, special exceptions for Native Americans employed by the Bureau of Indian Affairs were approved by the Civil Service Commission and published in the Federal Register on December 23, 1976. In essence, these exceptions provide that a Native American employee of the Bureau may with the approval of the Commissioner, be involved in tribal affairs and hold certain personal assets on tribal lands when circumstances justify and no real or apparent conflict of interest is created. Since each and every request for exception must be handled individually, we have experienced a tremendous increase in workload. Since our Personnel Officers also serve as Deputy Ethics Counselors this workload has fallen upon their shoulders and the Branch of Employee and Labor Relations in the Central Office. More and more indepth research of holdings, customs, work procedures and Indian law are necessary to properly advise the Commissioner on the application of these new exceptions. We need adequate staff to insure that the twin goals of increasing self-determination through development of Indian leadership and protection of the integrity of the Bureau are achieved.

No. 15. Establish and install performance measurement standards.

The Bureau is in agreement that performance standards are needed. It will develop standards tailored to fit the environment of each position in consultation with the affected tribe(s). The institution of Bureau-wide standards cannot be accomplished except for certain Bureau support programs. The Bureau questions the cost savings figure and doesn't agree that it will be $15 million.

No. 16. Initiate a program to improve and facilitate general communications between Central Office and field supervisors.

The Bureau will strive to attain this. Modifications to existing communication systems will be undertaken after consultation with the Indian tribes. Improved communication will require travel and the Congress has cut the Bureau's travel funding for the second consecutive year.

No. 17. Develop a concise statement on critical issues.

Because internal policy direction is the prerogative of an organization head, it is unwise to commit the newly nominated Assistant Secretary for Indian Affairs to a specific response to this recommendation. The Department will request that the Assistant Secretary provide the Secretary with a timetable for his taking action on this recommendation.

No. 18. Improve the Management by Objective program.

MBO is but one management style now in use within the Bureau. Where it is being used it will be strengthened. Many of the other systems now in use are patterned after MBO and operate similar to it. However, flexibility of the manager is important, and each should be allowed to choose the management style most suited to him.

No. 19. Expedite the Automatic Data Processing Modernization Study to ensure completion by January 1, 1977.

The Bureau highly approves of this recommendation. The Bureau has already initiated its MBO process in FY 1976 with some encouraging results. To date, the short term aspects of replacement of present hardware will be completed by November 1977. Step two of completing an application analysis of the system will be completed by the end of July 1977. A projection of FY 1981 has been established to install a complete adequate system.

No. 20. Complete Applications Analysis Section of the Modernization Study by October 1, 1977.

The Bureau is in agreement with this recommendation. Presently technical analysis resource requirements are being augmented by GSA Region VII. Management Task committees have been established in several critical areas and are resolving informational data and reporting requirements.

No. 21. Add Remote—Access and Interacting Capabilities to Reduce Processing Time and Increase Computer Program Development Efficiency.

The Bureau corresponds with this recommendation and have completed and included the following key items for implementation: (a) Fiscal year 1977 expansion of prototype terminal system has been developed in fiscal year 1976 and is beginning to be proved at the area and key program office levels; (b) fiscal year 1977 implementation of applications on remote terminals developed and/or initiated in fiscal year 1976; and (c) fiscal year 1978 expansion of remote terminals to the agency level.

It should be noted that the present Central Processor Capability does not include a Commmunications Front-End Capability which limits the direct interaction of remote terminals with the Central Processor. Techniques have been implemented, however, to facilitate remote terminal tele-processing to a centralized terminal—tape conversion unit in Albuquerque.

No. 22. Develop an Inventory System for a Comprehensive Equipment Management System.

We agree with the recommendation. For the past two years, two task forces have been engaged in the development of inventory systems for management of real and personal property. These groups have now identified and defined all elements and are ready for the development of a computer software program. This is primarily a management system but can serve as a nucleus program for developing an equipment utilization system.

No. 23. Develop Standardized Material and Supply Inventory Systems.

We agree with the recommendation. The plan recommended is similar to supply depot operations of the military, which, from all reports, has reduced operating costs and increased efficiency. A thorough study of Bureau procurement, storage, and utilization in all areas will be necessary to determine the extent of centralization and inventory which will best meet our needs, that is, by areas or by regions.

III. Management information

The recommendations presented in the AIPRC management study imply that the management of the Bureau of Indian Affairs is less than ideal and indicate improvements which should be made. The Bureau is well aware of most of the deficiencies identified and has taken, or is now preparing to take, action to overcome these. In responding to the recommendations numbered 15 through 18, the Bureau voices general agreement with the report. It has specific reservations about embracing the recommendations in their entirety which is also communicated.

In its response to 15 and 18, the Bureau questions the validity of Bureauwide application of remedial measures; in commenting on 16, it points to funding restrictions on complying; and in answering 17, it stresses the need for maintaining general policy direction with closer attention to the integration of critical issues into the directive system. The greatest reservation held by the Bureau concerns imposing the necessary modifications without first determining the desires and needs of the Indian tribe, especially in light of Public Law 93–638. The Bureau states that the management of Indian Affairs is the responsibility of both the Bureau and the tribes and insists that greater attention be paid to sharing this responsibility. Finally, the Bureau questions the validity of the savings estimate in 15 given the absence of cost data and the analyses undertaken by the study team.

15. The Bureau is not in opposition to establishing performance measurement standards for its personnel and the positions they occupy. Indeed, a major effort in this direction was recently (June 1977) begun through the establishment of standards for Facilities Engineering functions in the Navajo Area. These standards may have applicability for similar functions throughout the Bureau.

There is also a strong possibility that a similar effort could show productive results if applied to other Bureau functions. At issue is the application of industrial engineering techniques to establish standards for all functions in the Bureau of Indian Affairs. The Bureau is primarily charged with fulfilling the trust responsibility of the Federal Government to Indian tribes as administered by the Secretary. Because tribes are political entities comprised of individuals, the Bureau operates and/or administers service programs which benefit Indian persons. It is thus a human resource oriented organization rather than one which is oriented to the production of tangible, standardized objects. To arbitrarily determine that an educator who teaches children from families where there is no familiarity with English is to have the same standards as the educator who teaches children with an opposite background would undermine the effectiveness of the Bureau's educational system. The same is true for the other functions dealing with human services programs.

In addition, there are cultural and language barriers to the establishment of Bureauwide performance standards. If one considers cultural diversity to be a necessary and important component of the American Indian heritage, as does the Secretary, the prostitution of high ideals will be necessary to institute uniform performance standards in the Bureau of Indian Affairs. This is undoubtedly neither necessary nor desired by the Commission. Each of the 400 American Indian tribes is a unique entity and to attempt development of single performance standards will undermine the individuality of the tribes.

It is possible, however, for the Bureau to establish and install performance measurement standards which are tailored to fit the program, function, and environment to which they will be applied. To do so will require the concerted effort of the Bureau, the Department, and the Indian tribes and, consequently, will require time. The endorsement of this effort will not be lacking from the Secretary's office: the results which can be realized from such an undertaking will strengthen the Secretary's ability to fulfill his trust responsibility obligation. However, the Secretary will not endorse nor be a party to a unilateral effort.

It is time for everyone to recognize and accept the underlying premise of Public Law 93-638 and the concept of Indian Self-Determination. Indian tribes now have a joint responsibility, along with the BIA, for Indian Affairs. The effort put forth in shouldering that responsibility is also to be a joint undertaking. Tribes are beginning to establish and install performance measurement standards for those programs and functions which they are operating under contract, but this is only a minor step when compared to what the tribes can do. Public Law 93-638 allows tribes to undertake "the planning, designing, monitoring and evaluating of Federal programs serving the tribe" [Sec. 104(a)(4)]. If the BIA is to establish and install performance measurement standards on its own, how can the approximately 400 Indian tribes plan, design, monitor or evaluate the Federal programs which the Bureau operates? It is inconceivable that the Congress intended that Sec. 104(a)(1) not be applicable to the Bureau of Indian Affairs programs.

The management study report indicates "potenital annual savings would be about $15 million." This was computed on the basis of "5% of the total management expense budget." The costs to be incurred in installing and operating the system were absent. Perhaps this is due to the recognition by the study team that empty words and broken promises are an everyday fact of life in the tribe-Federal relationship and therefore an extremely cheap commodity. One certainly would admit that the satisfaction derived therefrom has a negative value.

We in the Department of the Interior are committed to Sec. 104(A)(4) and feel that the bilateral development and establishment of performance measurement standards is vital to that commitment. To meaningfully involve tribes in that effort will be expensive. Calculations of the cost of providing grants to tribes, financing salaries of Federal employees assigned to work on this task, necessary travel expenses, and costs of computerizing the standards will require time, but the total will demonstrate a highly inflated "savings" figure was presented by the management review team.

To computerize and keep functional the performance measurement system will be the largest expense. The cost of maintaining a computerized system may be greater than that of installing one maintained by individual program managers and the loss in speed and accuracy may not be sufficient to preclude a non-computerized operation. Because the cost is so great we do not feel it would be fair to siphon from funds that could go to tribes the money required to computerize this effort.

Moreover, the administration of performance measurement standards by a non-thinking, unsympathetic computer will exacerbate the human relations problems which will be encountered in the installation and operation of the system. To create other problems in solving an existing problem is antithetical to sound management practice. We therefore propose that only those performance measurement criteria which can be applied Bureauwide be computerized.

That impediments to resolving this recommendation will exist regardless of the method of implementation is recognized. Change is resisted, even when that change portends improvement. Nevertheless, these obstacles can and will be identified and overcome as the Bureau implements its performance measurement effort.

16. The Bureau concurs that communications can and should be improved. Personal contacts require face-to-face as well as telephone communications to achieve the greatest result. Improved communication involves more than face-to-face contact. It requires a commitment on the part of managers to develop and use communication procedures and channels. We will strive to attain this, using existing procedures, as our first priority. Concurrently, the Bureau will seek advice from the tribes and its field offices on how best to achieve the modification of the exisitng system which is required to fully facilitate improved communications.

A program to improve communications between the Central Office and field supervisors would expedite the Bureau's mission to assist tribes and to provide service to tribal members. Any program which is developed must incorporate the concept of personal, face-to-face contact, however, this will require that Central Office program staff visit field installations periodically to foster an improved understanding of the field operations. Extensive travel is required, and for the second consecutive year the Bureau's funding for travel has been cut by the U.S. Congress.

17. The lack of up-to-date policy and procedures manuals is recognized by the Bureau and efforts have been underway for some time to give currency to the system. The responsibility for keeping manual issuances current rests with the affected program office; Management Research and Evaluation merely coordinates this effort. In keeping with the recommendations of the management review team this Division will, in the future, give more attention to reviewing the conciseness and consistency of manual releases.

Because of the diversity of program services provided by the Bureau it will be necessary to maintain an extensive policy directives system. Each of the program directories must be able to provide its field personnel and the service population with guidance on operating procedures if the Congress' concerns are to be communicated to the Bureau's personnel. Only in this manner will it be possible for the Bureau to translate those concerns into action consistent with the Congress' desire.

The issues which are critical at any one time may differ from those of another time. The directives system, therefore, must be such that specific critical issues can be handled in a timely manner. The system provides for this. Directives are general rather than specific. Still the issuances are voluminous and require substantial time for reading and careful study. For this reason it is improbable that all managers will be conversant with program directives other than their own. We recognize that knowledge of services and functions throughout the Bureau would result in more cooperation among program managers and better services to the Indian people.

Moreover, the advent of Public Law 93-638 has increased the need for closer coordination between and among the various programs. Indian tribes which operate service delivery mechanisms frequently combine program functions on their reservation in order to better manage the programs. Inconsistent and imprecise issue guidance is not conducive to the tribes' proper management of their delivery systems.

Likewise, the integration of the policies contained in Public 93-638 with those of the substantive legislation establishing the various Bureau programs is of concern to the tribes. The Bureau has established an Indian Self-Determination Staff to orchestrate Bureau activities so that integration can be accomplished. This office does no issue policy without the Commissioner's approval, however.

Because policy direction is the prerogative of the Commissioner, it is unwise to commit the soon-to-be appointee to specific policy statements. However, the Secretary can, and shall, request that the individual who is appointed to that position be cognizant of the Task Force's concerns and provide the Secretary with a timetable for his taking action on this recommendation. It is anticipated that the new Commissioner can begin this effort during the first quarter of his tenure.

This is not to imply that the Bureau is doing nothing in the interim. The Policy Planning Staff is coordinating the compilation of critical issue statements which receive the Commissioner's and his line officers' attention. The system is similar to that developed for and used by the Secretary's office. A sample listing of those issues receiving the Commissioner's attention during the past month is provided.

Also, at the Bureau's request, National Archives and Records Service (NARS), which has Governmentwide responsibility for directives management, has completed a reconnaisance study of the Bureau's directives system. NARS suggested two alternatives to improve the Bureau's directives system. The Assistant Secretary for Indian Affairs will review the NARS recommendations and make a decision on implementation of improvements. Once the decision is made, NARS has agreed to revise the instructions on the Bureau manual system, develop an external directives system for issuing guidelines to the tribes and other members of the public, and give training to Bureau employees. The Division of Management Research and Evaluation will coordinate the project, schedule the implementation, and provide advice and assistance to the program offices updating or preparing new manual material.

18. The Bureau agrees with the aproach taken in the discussion of this recommendation pertaining to the MBO process. The suggestions for making MBO an effective management tool are worthy of consideration and implementation. Management by objectives is one of several management tools in use within the Bureau of Indian Affairs. At the time of the policy review study the system was used by Commissioner Thompson and several of his Area Directors in their management of Bureau activities.

Variation on the MBO theme are still in evidence throughout the Bureau. The Bureau's personnel office works to resolve critical issues through the implementation of its "action plan". This is an MBO-type system which has been tailored to meet the needs of that office. Other offices have refined MBO to fit their particular needs. The Budget system in use by the Bureau is a MBO-type plan. The rights protection issue plan and the Public Law 93-638 Management Information Sytem are further examples.

A management tool which works for an individual manager or office may be unsuitable for another, however. Flexibility to tailor a management system to fit the manager of the function and the problem or issue being dealt with must be incorporated into any viable organization. The turnover in staff and line managers of an organization dictates that a dynamic system for management of that organization be established. To determine that one management style is better suited than all others for that organization undermines the validity of the organization. Furthermore, the Bureau must consider the needs and desires of the 400 Indian tribes which it serves, and elements of "contingency management," Space Age Management," or "Results Oriented Management" are perhaps more viable than MBO for the Bureau manager.

19. Expedite the Automatic Data Processing Modernization Study to insure completion by January 1, 1977.

The Bureau is most pleased with the detailed recommendations resulting from the discussion contained in this section of the AIPRC study. The modernization program was, in fact, initiated as a Bureau MBO project in fiscal year 1976. The results to date have been most encouraging and is receiving good support from Departmental staff functions involved. It is unfortunate in many respects that progress has not been as fast as the Bureau would have liked. However, progress has been solid and is following sound technical and professional plans. The present plans and schedules reflecting changes incorporated subsequent to the review by the Study Team are illustrated below for Key Milestone:

Steps—Modernization action	Short range	Long range
1. Replace present hardware:		
(a) Requirement definition and economic analysis	Complete	
(b) Department and GSA approval of requirement	Complete	
(c) Department and GSA approval of solicitation document	Complete	
(d) Vendor proposals received	July 1977	
(e) Vendor selection	August 1977	
(f) Installation	November 1977	
2. Complete application analysis		July 1977.
3. Install adequate system:		
(a) Preparation of workload specifications		Fiscal year 1978.
(b) System requirements definition and economic analysis		Fiscal year 1978.
(c) Department and GSA approval of requirements		Fiscal year 1979.
(d) Department and GSA approval of solicitation document		Fiscal year 1979.
(e) Vendor proposals received		Fiscal year 1980.
(f) Vendor selection		Fiscal year 1980.
(g) Installation		Fiscal year 1981.

20. Complete Applications analysis section of the modernization study by October 1, 1976.

The Bureau is in complete accord with discussions related to this recommendation. It is unfortunate that sufficient resources to expedite this analysis are not available to the Bureau from either the technical analysis capability or the availability of managerial involvement. This is not to imply that the analysis is being neglected or unsupported. At present, technical analysis resource requirements are being augmented by GSA Region VII, Ft. Worth, Tex. Management task committees have been established in several critical areas and are revolving informational data and reporting requirements. It is anticipated that this effort to establish a basic applications structure and data need will result in the work load specification identified in the previous recommendation (Recommendation 19).

21. Add Remote-access and Interactive Capabilities to reduce processing time and increase computer program development efficiency.

The Bureau is in general agreement with the discussion related to this recommendation. The major problems of implementation relate to the Bureau's progress toward upgrade of Central Processing Capabilities to adequately interface with remote terminals, development of software to accommodate distributed data, and technical resources to accomplish the necessary changes in an acceptable timeframe.

At the present time, the Bureau's plans have been completed and include the following key items:

(a) Fiscal year 1977 expansion of prototype terminal system has been developed in fiscal year 1976 and is beginning to be proved at the area and key program office levels.

(b) Fiscal year 1977 implementation of applications on remote terminals developed and/or initiated in fiscal year 1976.

(c) Fiscal year 1978 expansion of remote terminals to the agency level. It should be noted that the present Central Processor Capability does not include a Communications Front-End Capability which limits the direct inter-action of remote terminals with the Central Processor. Techniques have been implemented, however, to facilitate remote terminal teleprocessing to a centralized terminal—tape conversion unit in Albuquerque. A compatible tape is then prepared for processing on the central computer. Output reports are transmitted through the same system to the remote terminals. This essentially gives the Bureau the capability of 24-hour remote Batch operations. The projected upgrade of the Central Processing Capability will give the Bureau a direct interface which will facilitate both remote Batch and Conversational Communications modes.

At the present time, the Bureau studies indicate that it is not technically or economically feasible to modify the existing equipment to incorporate a communications controller. In order to continue the Bureau's steady progress on the modernization program, available resources are being applied to the short term upgrade of the Central Processor which will have a Communications Capability and software development responsive to immediate user needs.

22. Develop an inventory system for a comprehensive equipment management system.

We agree with the recommendation. For the past two years, two task forces have been engaged in the development of inventory systems for management of real and personal property. These groups have now identified and defined all elements and are ready for the development of a computer software program. This is primarily a management system but can serve as a nucleus program for developing an equipment utilization system.

23. Develop standardized material and supply inventory systems.

We agree with the recommendation. The plan recommended is similar to supply depot operations of the military, which, from all reports, has reduced operating costs and increased efficiency. A thorough study of Bureau procurement, storage, and utilization in all areas will be necessary to determine the extent of centralization and inventory which will best meet our needs, i.e., by areas or by regions (more than one area).

[Memorandum]

U.S. Department of the Interior,
Bureau of Indian Affairs,
Washington, D.C. September 14, 1976.

To: Central and Area Office Directors.
From: Acting Deputy Commissioner of Indian Affairs.
Subject: Personnel Management Action Plan for BIA.

Attached is a copy of the subject Plan and its September 7 transmittal memorandum. A separate copy of this material is being mailed to your Area personnel (or, where appropriate, administrative officer) so that they, hopefully, will have received it before leaving for the Portland personnel officer conference.

The Plan of Action now needs review within the Bureau. You are requested to duplicate and distribute further copies in your Area or Central Office directorates.

Based on your careful reading, please be ready to discuss the Plan at the next Directors' conference, where it will be the major agenda item. Current thinking is for the meeting to take place in Denver in mid-October.

Theodore C. Krenzke.

Enclosure.

[Memorandum]

U.S. Department of the Interior,
Bureau of Indian Affairs,
Washington, D.C., September 7, 1976.

To: Commissioner of Indian Affairs.
From: Paul Lorentzen, Project Manager.
Subject: Personnel Management Action Plan for BIA.

Attached is your copy of the Personnel Management Action Plan for the Bureau of Indian Affairs. As provided by the March 25 Agreement procedures, I have given copies to the four members of the BIA Personnel Management Task Group and requested them to meet with me in a few days to clear the proposed review procedures:

Distribute Plan now to all Central Office and Area Directors and Personnel Officers.

Hold discussion meetings with top managers and personnel officers, in October, in Washington, D.C., Albuquerque and Billings, for further clarification, explanation, and initial reactions.

Receive written comments in Central Office by October 31.

Make revisions (if any) and conduct appropriate consultations with tribal groups.

Transmit final Bureau Action Plan to Department by December 15, indicating specific time frame and resource commitments.

In summary, this Plan contains 22 major actions which are considered essential for resolving the present complex of personnel management problems in the Bureau. The Plan speaks to the background and environment of these problems in order to address fundamental causes rather than purely symptoms. General, human resource, and personnel function management improvement actions are included—as indicated by the table of contents—and their interrelated nature is stressed.

The extensive discussions held with the Bureau's managers and personnel staffs were invaluable to the development of this Plan. In fact, very little, if any, of its contents is original or creative in that the views and suggestions from within the Bureau itself were the basis for all of its components. For example, I was specifically urged by several persons to include a section on "an alternative option," and hope that it provides the germ for a much more intensive study of this subject.

Mr. Commissioner—I trust that my frame of reference and purpose are evident: To provide a plan of action calling for constructive work for several years to come, based on an objective analysis not concerned with placing blame or faultfinding. The factors which have led to the Bureau's current management situation are so numerous and complex that there is "blame" enough for all—Bureau, Department, Civil Service Commission, OMB, Congress—if that's the game.

The more vital question, however, is whether the Bureau has within itself the capability to effect the needed changes. Here I was often discouraged during my months of readings and discussions since many persons in the past and in the Bureau today indicated they did not think so. However, I also found myself talking to many who in my judgment are ready to be part of the solution.

I believe it can be done. Help and cooperation will be needed from many sources—the Department, Commission, Congress, etc.—and this the Bureau should demand. But ultimately, the Bureau together with the Indian people will determine how much progress will be made.

I am looking forward to participating in the review and approval process, and want to be sure you know that I stand willing to help in any way with the implementation of the Plan. Various actions could start almost immediately. The resources and time needed will be large; I am ready to start contributing.

Thank you for the complete cooperation you and your managers have given to me in this effort.

PAUL LORENTZEN.

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PERSONNEL MANAGEMENT ACTION PLAN FOR THE BUREAU OF INDIAN AFFAIRS

INTRODUCTION

Genesis of the Project

During the early months of 1976, it became apparent to the Department's Office of Organization and Personnel Management, the U.S. Civil Service Commission, and the Bureau of Indian Affairs itself that a major effort must be made to address the significant and pervasive personnel management problems existing in the Bureau.

The Commission's several personnel management evaluations conducted during the past year, as well as those conducted by the Bureau itself in coordination with the Department and the Commission, had resulted in written reports which showed severe and consistent mismanagement of the function. The problems related to both technical, regulatory matters as well as the more systemic, managerial aspects of the function. Many of the latter issues in need of improvement action (e.g. management development, Indian recruitment, and personnel office staffing) had also been identified by the Bureau's Personnel Management Policy Review Board, which had been created in the fall of 1975 and delivered various recommendations to the Commissioner the following spring.

After several months of discussion and negotiation had produced a number of draft improvement proposals, an 18-point Agreement—"Action Proposal for Improvement of Personnel Management, Bureau of Indian Affairs"—was signed on March 25, 1975, between the Commissioner and the Assistant Secretary—Management. While most of the items concerned actions to be taken to address immediate and urgent position classification and personnel office staffing problems, the Agreement called for the designation by the Commissioner of a Project

Manager (Paul Lorentzen), who would develop a coordinated Departmental-BIA Action Plan for Improvement of Personnel Management in the Bureau. Copies of the March 25 Agreement and the April 9 memorandum from the Commissioner regarding the role of the Project Manager are attached as Appendices A and B.

Sources of Information

In order to address the full scope of the project—"All aspects of personnel management and management's direction of human resources, at all organizational levels in BIA"—the Project Manager used a variety of written and other informational sources. In addition to the personnel management evaluation reports mentioned above, written material included various Bureau Manual chapters, the files of the Bureau's Personnel Management Policy Review Board, books on Indian policy, the 1971 Management Review Report on BIA, and a wide variety of publications produced by Area Offices and tribal groups.

The most important information source consisted of the views and perceptions of Bureau personnel themselves, obtained in numerous discussions and interviews. In the Central Office, many talks were held with the former Chief Personnel Officer (who retired on April 16), the Acting Personnel Officer (who reported on April 19 for a 2½ month assignment), and the various staff members in the personnel office. All Office Directors were interviewed, often with their key staff members. All 12 Area Offices and the Albuquerque "complex" were visited, with lengthy discussions held with 110 managers* (including Area Directors, Deputy Area Directors, Assistant Area Directors, Division Chiefs, Branch Chiefs, and Superintendents); and 36 personnel officers and staff members. The views of several Indian tribal chairmen were also obtained during these field visists. On the same trips discussions were held with 25 officials of the Civil Service Commission in the five Regional Offices servicing the Bureau (Chicago, Dallas, Denver, San Francisco and Seattle).

Another valuable source of information constituted the Project Manager's attendance at the Bureau's Directors Conference, July 21-23, in Sacramento, California. A "Tentative Outline" of the Action Plan had been prepared beforehand and was used as advance briefing material for participants in preparation for the two-hour discussion of personnel management on the agenda for the morning of July 22. The wide-ranging and lively nature of this discussion by the top management of the Bureau was helpful input to the Action Plan information base.

ANALYSIS OF THE MANAGEMENT PROBLEM

Interrelated Nature of Personnel Management

The way in which an organization obtains and uses the people it needs to accomplish its work—and the effectiveness with which it thus performs its human resource (personnel) management—is directly related to the general management condition of the organization.

The personnel management problems of the Bureau of Indian Affairs, identified by the evaluation reports and the perceptions of Bureau managers and personnel staffs themselves, are thus symptoms of the organization's basic management problems. The deficiencies in position classification, employment procedures, and other technical/administrative aspects of personnel management; and the weaknesses in staffing programs, training plans, decision/communication methods and other policy/managerial aspects of personnel management—all find their basic causes in the general management condition of the Bureau. Therefore, an analysis and understanding of this organizational/institutional situation must precede any effort to address the personnel management problems. And any Personnel Management Action Plan for improvement must be based on the realities of the organization's general management effectiveness.

The purpose of this analysis section, then, is not to hold Bureau management up to any searching light of inspection or fault-finding, but rather to place the personnel management problems within their proper context so that actions taken will be aimed at real, underlying causes and thus result in lasting instead of only cosmetic improvements.

Background to the Management Condition

The policy of American society towards its native peoples has gone through a number of stages, from removal to concentration/reservation to individual allotment to tribal reorganization to relocation/termination—to today's self-determination. Since 1831, when the Bureau of Indian Affairs was created, this organization has been the Government's institution implementing and administering these policies and their resultant programs.

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*An interesting side observation is that 57 of these Bureau field managers are Indian, and 53 non-Indian.

The past ten years have seen as radical a shift in basic Indian affairs policy as has ever occurred. As part of the recent general trend in American society toward greater involvement and expression by all population segments, Indian people participated in the social and economic ferment of the 1960's and 70's, increasing their self-awareness and independence of action. The Presidential messages of March 1968 and July 1970 called for rejection of the termination policy of the previous decade, and the recognition of Indian rights to self-control of their future and self-operation of their programs. The Indian Self-Determination & Educ. Asst. Act of 1974 (PL 93–638) gave a legislative foundation to this new policy; and the administrative extension of Indian preference in 1972 for Bureau employment (confirmed by the Freeman and the Mancari decisions in 1974) provided the vehicle to "Indianize" the bureaucracy implementing these policies. Significant increases in appropriations for Indian programs occurred at the same time, with many other Government agencies in addition to BIA playing a large role in meeting Indian needs.

The actions and reactions associated with these fundamental policy and program shifts often partook of the sudden, even revolutionary, character of the general times. While the first two *Indian* Commissioners of Indian Affairs, in the 1960's, gradually advanced the principles of consultation and coordination with Indian tribes, during the early 1970's the complete top structure of the headquarters office was replaced by Indians using novel and extreme approaches in their dealings with tribes and the bureaucracy itself. This internal situation of BIA, often termed "chaotic" and characterized as an organization with a broken spine, was matched in late 1972 by external events when Indians "took over" the Bureau's building in Washington, D.C. for several days and produced havoc to the "institutional glue" represented by records, files, and other documentation/communication means.

The resulting "interregnum" situation took several years to work out, and the damaging after-effects are in most people's opinion still very much evident in the organization. The suspicion of Indians towards the Bureau—and some say towards Government policy in general—has increased; while the ability of BIA to exercise authority and serve as an effective instrument for enunciating clear policies as well as following through with well-designed programs, is severely questioned both inside and outside the Bureau.

Bureau Management Today

The basic shifts that occurred in the past few years in Federal government policy toward Indian affairs have been revolutionary in themselves. Further, they have presented unprecedented challenges to BIA as an instrument for program development and an institution for program implementation. In the process, the management of the Bureau itself—the systems, methods and procedures of operating—on the whole attempted to deal with the totally new problems and situations by employing basically the same attitudes, approaches and procedures of the past. The dimension and severity of the management problems now endemic in the Bureau indicate the inadequacy of this strategy and prove the necessity for seeking new directions.

The shift in fundamental values and objectives underlying BIA's raison d'etre—from essentially conducting paternalistic operations to nominally advising and assisting self-governing equals—has had such sudden implications for all parties that few have been able to "catch up." Congress, OMB, Interior, CSC, the Bureau itself—all are struggling to understand what the new situation means and requires in the way of implementing legislation, revised monetary arrangements, different leadership and direction, and novel communication methods. Perhaps the party least successful in analyzing and coping with the changes needed has been the institutional management within the Bureau itself. Being a creature of the past, designed to serve the needs of the past, and rewarded for addressing the problems of the past—the internal management institution has tended to ignore, deplore, or misinterpret the changed conditions brought about by the redirection of the Bureau.

Several factors actually encouraged this non-constructive reaction, rather than that of responding to the unprecedented challenges by developing new management solutious, including:

A historic under-valuation of the significance of internal management in the Bureau, which has never been held up as a paragon of good management;

A pattern of defining the role of persons staffing various internal management functions as basically that of followers (of orders and directions) rather than that of leaders (in effecting innovations, initiating decisions, etc.);

The natural inertia of the internal management institution itself, which of course was not consulted on the basic redirection of the Bureau's mission, and which was unable to see many advantages from its standpoint in the new situation;

A historic absence of the teamwork approach with mechanisms for identifying common problems and "floating" them up to headquarters for common resolution; this situation extended beyond that of healthy decentralization;

The lack of continuity in top management leadership, which from the standpoint of managers outside of Washington, D.C. has added up to a lack of Central Office capability to provide real leadership, guidance and assistance; and

A lack of timely decision-making capability, which is universally viewed within the Bureau itself as BIA's single most disabling managerial trait.

Certain basic, interrelated requirements exist for effective management of any organization. To the extent that BIA fails to live up to these essentials, its managerial improvement needs are revealed. (The characterizations below, together with selected quotes, are drawn directly from and are representative of the perceptions of the Bureau's own managers):

1. *Clearly defined and understood mission.* The basic reason for its being has become unclear and controversial in the Bureau. To many of its managers, the shift to tribal consultation and self-determination destroyed their basic understanding of the Bureau mission: Making decisions for Indian constituents based on possessing more and better knowledge than the constituents, especially in the area of economic development and trust responsibilities. "Managers are not sure where the Bureau is going" is an often heard refrain. Just recently a Bureau mission statement task force started to address this question by coming up with (1) Trust responsibility and (2) A government-to-government relationship as the twin foundations for Bureau existence and program responsibilities.

Basic mission questions still remain: Is the primary responsibility simply to help tribes do what they determine they want to do? To become a large-scale contract-monitoring institution? Or to say "No" occasionally to tribes, i.e. interpose the Bureau's judgment on tribal determinations? Or, as some managers in their individual quest to define the mission have come up with, simply to provide Bureau employment to Indians? The present search for a formal mission statement recognizes the absence of such a common understanding and the urgent need therefor.

2. *Common acceptance of program objectives and roles.* With the basic mission lacking clarity, it is not surprising that there are deep conflicts within the Bureau regarding fundamental program objectives and roles. The enunciation in 1973 of the Central Office's shift from an operational role to focussing on a policy/budget role has in most managers' opinion been neither fully abided by nor of assistance to the operational parts (Area offices and agencies) of the Bureau. "Central Office Directors have not moved out of operations; there is friction between the Central Office and the Areas." And the role of the Area offices is equally controversial in the eyes of many: A resource to draw upon for assistance, or a severe, unwarranted restraint on the needed operational freedom of the agencies and their Superintendents.

Basic program objectives and thrusts—be they in the education, natural resources, or community services fields—are controversial in the minds of many managers from the standpoints of both legitimacy and the Bureau's instrumental ability to perform effectively. At present, for example, a complete redefinition of the Education function and its objectives and organization is in process—for the "umpteenth" time in recent years, as far as most Bureau managers are concerned; using the wrong change methods; and not addressing the basic questions of what continuing need there is, if any, for certain institutions within the function. The appropriateness of various elements in the social/community services program objectives is similarly severely questioned by various Bureau managers.

"The trouble with BIA is that is doesn't have a firm set of objectives and no clearly enunciated strategy."

"Every Area has drifted into its own channels, with no consistency and little sharing among Area offices."

The absence of common objectives and accepted roles in the Bureau (and of inter-Area communications) is graphically demonstrated by the complete inconsistency of Area office organizational arrangements going far beyond a "healthy" prerogative for local adaptation and experimentation. Area offices often display little compatibility with Central Office organization functions or titling practices; present a confusing array of Deputy Area Directors (or none), Assistant Area Directors (or none), "Divisions" and "Branches" (used interchangeably for the same organizational levels); and possess little knowledge of the organizational arrangement (and its underlying reasons) in any of the other Area offices.

"Throughout the Bureau you have programs operating without knowing what they are supposed to do."

"There are so many different functions in the Bureau, each out for itself, and not about to budge."

These statements are more understandable when viewed against the backdrop of organizational role dysfunction and disarray.

3. *Clear and timely policy formulation and issuance.* A common criticism throughout the Bureau is the absence of current Manual material, policy guidance, and even plain responses of any kind from the Central Office on policy questions. While the many extenuating circumstances making this situation more understandable are generally mentioned—rapid policy and legislative changes, the proliferation of other agencies' Indian programs, numerous personnel changes in the Central Office, the disruption of the "take-over" and its after-effects, etc.—the fact remains that the average manager's perception is that

"There are inordinate delays in getting guidelines to the field."

"We ask for help and direction, and get none."

"What policy pronouncements and revisions we get are not complete, leave out the implications, and provide no real guidance. Everybody is on his own, each like a little island."

Anoher major point made is the lack of involvement of Bureau operating managers in policy formulation, thus missing the opportunity to build in commitment to the resulting policies.

4. *Application of common procedures, rules and regulations.*

"Each Area has its own unspoken rules, resulting in many inconsistencies among the Areas in services provided to the Indian people."

"There is a general feeling that BIA doesn't have to follow any regulations."

"The former Bureau leadership in effect ordered us to violate rules and regulations."

These typical comments by managers indicate that a general breakdown in programmatic discipline is perceived as one of the chief management problems of the Bureau. And there is often a strong feeling that "sticking to the rules and regs" in many matters is still unwanted, results in being considered and treated as "uncooperative," and might jeopardize one's status and career.

5. *Communication system for teamwork.* The common perception in the Bureau is that there is an absence of effective Bureauwide communications in management matters. This has already been exemplified above, as within the Education function and its current redirection, and in general policy formulation and its lack of organizational involvement. Many examples were offered by Central and Area office managers of topics and concerns urgently needing forums for group discussion and wide organizational communication, but which are not accorded such treatment. The "real" issues and problems concerning Bureau programs and management matters are generally avoided in whatever meetings or conferences are held, and it is the perception that this is a deliberate tactic or style to avoid controversy and the necessity to "bite the bullet."

In many Area offices this same lack of effective communications-for-teamwork exists among program functions, and between them and the agencies. "We communicate only in crises" is one manager's statement of the Bureau's communication ability.

6. *Program evaluation against standards for accountability.* There is no system for evaluating program effectiveness in the Bureau. Several managers mentioned this as one of the key managerial deficiencies which contributed to the total problem situation.

"I want an overall evaluation of my agency."

"We are spending millions of dollars, and should be looked at periodically."

"The Departmental audits have no effect; nobody takes any action on them."

"We have no system for getting the facts and figures to base organizational and manpower allocation changes on."

With basic missions and programs in controversy, policies and guidelines unclear, and common procedures generally absent, it would be difficult to produce standards against which to measure program effectiveness—which undoubtedly accounts for their absence. Managers voicing their concerns in this area are probably those who feel that a true evaluation (or "inspection") operation would necessarily uncover the many problems and contradictions they see as inherent in the application of the new self-determination and tribal consultation policies—so that something would have to happen to correct what they believe is an undisciplined, "candy store" situation characterized by "politics and favoritism" in relation to providing services to the Indian people. "Our managers are used to doing illegal things for so long that they don't know they are illegal any more" is one manager's way of putting it.

Many managers do not feel that this standard-less, program effectiveness-less management style of operation is ultimately benefiting Indian people, since it in reality is based on a demeaning conception of them as children rather than as mature adults who will be held accountable.

"The Bureau must learn to say 'no' occasionally, stick to some standards, 'stand up' to tribes for their own good—and they will understand and cooperate if they respect the Bureau's leaders and policies. But if you act this way now, you are threatened and persecuted."

These views—as well as the others in this analysis—were expressed by Indian and non-Indian managers alike, when they were expressed.

7. *Internal management problem-solving and decision-making ability.* The Bureau's ability to solve its own managerial problems and make the necessary timely decisions for effective internal management is severely questioned by its own managers.

"Nobody listens to our problems, and nobody gives a damn."

"Instead of addressing questions regarding effective organizational arrangements, better utilization of our manpower resources, the best technology and professional expertise available—BIA is absorbed with political problems."

"The Bureau does not want manpower allocation, position management, work measurement studies—doesn't want to know the facts regarding improvement possibilities in archaic methods in use. They just want the status quo and no ripples."

Whether the Bureau "wants" these tools or not, the fact is that there is agreement that effective mechanisms for ferreting out the problems and making timely decisions on these matters are mostly absent. The criticism of delays in decision-making—on filling specific vacancies, allocating employment ceilings, approving proposed organizational changes, coordinating budget and staffing considerations, and similar internal management matters—is as intense and vivid as any subject addressed by the managers of the Bureau.

8. *General confidence in and respect for leadership.* It is hardly necessary to dwell on the fact that the above analysis of the management condition of BIA adds up to a very general lack of confidence in or respect for leadership in the organization. At whatever level—agency to Area office (and vice versa), Area office to Central Office (and vice versa), program function to staff function (and vice versa), Central Office function to another Central Office function—there typically is a deep feeling of frustration and lack of direction.

Many believe that this is a natural result of the unprecedented events of the past decade, when so often a physical vacuum actually existed in leadership positions and, also often in their perception, the even worse situation of abortive or destructive leadership prevailed. Verbal expressions of the feelings take the form of "overwhelming trauma," "a losing organization" and "lack of integrity." Still others attribute much of the situation to the increased racial factionalization of the Bureau produced by the 1972–74 extension of Indian preference and its application since. They speak of the inability of most non-Indian career employees to make the psychological shift inherently required by the radical policy changes, and of the over-reacting attitudes of many Indians caused by the years of discrimination they feel they suffered in the past.

The significant points of the above analysis is not so much to what extent the Bureau does or does not exhibit these managerial dysfunctions, as it is that the Bureau's managers themselves generally perceive the problems as stated. This is the organization's analysis of its own situation, and as such is the managerial reality within which operations proceed.

Towards Solutions

It would be astonishing if the Bureau of Indian Affairs had not been experiencing severe management problems and difficulties in keeping pace with the challenges flung at it during the past decade. Every organization in American society—Government or private—with the task of providing services to people has been faced with novel demands and inadequate resources due to the great changes that have occurred, in the people themselves, their problems and their self-perceptions. With responsibilities in many ways similar to those of local governments, the Bureau has been dealing with the same forces and restraints as have the struggling cities and towns throughout the country.

But more so: The additional, unique factors of the BIA situation—such as America's continuing ambivalent feelings and policies regarding its native people; the Federal government's "trust responsibility" towards recognized Indian tribes and groups, and the built-in contradictions in terms within this concept; the element of "sovereignty" in Indian affairs arising from treaties and a renewed stream of court decisions; the multitude of differences in problems and need-perceptions of the many tribes themselves—all make it considerably more difficult for the Bureau to respond adequately in regard to such desiderata as clearly defined missions, commonly accepted objectives, timely policy formulation, etc. As an agent of the Indian people themselves, and as a bureaucratic (in the best sense of the word) instrument of the Federal government too, the contradictory nature of the Bureau's role is built into the situation and has significant impact on its ability to manage itself.

Thus the Bureau faces the same complex of internal management problems as all other institutions today—of organizing itself for results, obtaining and allocating adequate monetary resources, hiring competence, providing a motivational environment, utilizing best methods and technologies, developing and using a multitude of skills, maintaining meaningful communication systems—in addition to coping with the legacy of historic and outdated discriminatory attitudes and current needs and desires to "catch up."

Many of the forces which have created today's management condition have been, and continued to be, beyond the control of the organization itself and its leaders. Those elements which are subject to management influence are also crucial, however, and constitute the agenda for whatever improvements are to be made. The seeds for these actions will often be found within the Bureau itself; others will call for coordinated steps with various other parties in the total problem environment, such as the Interior Department, the Civil Service Commission, OMB, and Congress. The solution outline—anticipating the action steps expanded upon below—revolves around:

An institutional focus (leadership role) for effective internal management.
A problem identification, analysis and solution-proposing instrument in the organizational, manpower allocation, and work methods areas.
A program evaluation function, including standards.
A communication/team work management style.
A management development program.

THE PERSONNEL MANAGEMENT SITUATION

Relationship to General Management

It is obvious that an organization with the type of general management situation outlined above will be experiencing severe problems in the management of its human resources. The essential components of general management effectiveness—missions, objectives, roles, policies, procedures, communication, standards, evaluation, decisions, leadership—are basically the same required elements for effective personnel management. The whole purpose in presenting the preceding section was to ensure that in addressing the Bureau's personnel management problems, various basic causes stemming from the general management condition were identified and, to the extent practicable, included in the Action Plan agenda.

Thus, looking more closely at the personnel management situation in the Bureau, often the reasons for a specific problem condition are directly traceable back to elements treated in the general management analysis above. Similarly, a specific solution approach in personnel management will often require that actions be taken in the general management realm.

There is a distinct purpose in repeating and re-emphasizing this matter of interrelationship: To overcome a serious misconception in the Bureau regarding the nature and role of, and responsibilities for, personnel management. This conceptual/definitional problem is not unique to BIA; however, the unfortunate effects inherent in this popular misconception are greater in the case of the Bureau because of the urgent need for many improvement actions. The question becomes: Who are the responsible change agents?

Conceptions of Personnel Management

Managers in BIA, with few exceptions, understand personnel management to consist of the activities performed in the Bureau's personnel offices, which are in sum viewed as the processing services required by the Government's personnel system in order to effect those individual personnel actions management has decided will take place. Personnel management is thus seen as equalling the personnel processing work imposed by "the system." Representing an externally imposed "burden" to be borne by the organization, as a minimum those services should therefore be performed quickly and routinely so that little delay is experienced by managers in classifying their jobs, filling their vacancies, effecting their promotion actions, processing their training requests, etc.

Under this conception, the personnel office's job is considered to be limited to knowing "the system," being able to use it innovatively to satisfy promptly management's needs and desires, and in general to keep management "out of trouble" in personnel matters. The manager's job is limited to seeing that the personnel office performs in this effective, servicing manner. The sole effectiveness test of personnel management thus becomes whether the personnel office explains to the manager how what he wants can be done, rather than why it cannot.

This traditional role of personnel management—generally termed personnel administration or personnel services, and recognized as *one* legitimate personnel function—served the Bureau's needs fairly well for many years, as it did many other organizations. Operating programs were comparatively well defined and static; organizational arrangements and position structures were generally uniform and determined at headquarters; positions were usually filled from internal and/or local sources through a network of colleague-family-friend contacts; and the role perceptions of the personnel office staff members themselves generally were no different from those held by management.

To the long list of forces and events which during the past 10–15 years have caused a radical change in the demands placed upon management in the human resources field, so abundantly described in many other places—the revolution in organizational concepts, position management, job enlargement and enrichment, manpower planning and utilization, equal employment opportunity, career development, motivational management, labor relations, etc., etc.—must be added in the case of BIA the many challenges to and effects on personnel policies and practices of the unprecedented events summarized above. The "battle of organizational roles" of the early 1970s between the Central Office and the Areas; the extension of Indian preference to internal personnel actions; the institutionalization of consultation with tribes on personnel matters; the shift to contracting Bureau functions to tribes; and the rapid changes in top leadership all placed what proved to be an unbearable burden upon managers and personnel staffs.

Even if the Bureau's conception of personnel management had been broader than that described above, the challenges of the new personnel management forces and of the Bureau's own managerial "revolution" would have been difficult to meet successfully. But with this role definition unchanging, what occurred was inevitable: Managers blamed "the system" for imposing further and unwanted obstacles in their path of "getting the job done," and generally ignored or rejected the "obstacles" in order to keep "operations as usual." They blamed the personnel offices, as "representatives" of this externally imposed system, for the increasing complexities of human resource management; and personnel staffs started blaming management for not recognizing that a new ingredient was now needed: A different conception of personnel management based on management's acceptance of and commitment to a leadership role in personnel management.

The result has been the creation of an almost "two hostile camps" situation, with neither the managers having had the opportunity to become acquainted with or skilled in carrying out their personnel management responsibilities, nor the personnel staffs generally having gained the stature or resources needed to fulfill a broader role and provide managers with the expanded and different services now called for. This situation also detracted from the ability of the personnel offices to perform even their traditional processing functions, thus causing still more criticism from management.

This matter of the conception of personnel management has been dwelled upon so extensively because it is perceived as a most crucial element involved in the success or failure of any action plan for improvement. The key to the "solution" of the specific human resource management problems of the Bureau lies in an initial recognition and ownership of these problems by management. As long as the ownership and responsibility continues to be perceived as lying elsewhere—with "the system," the personnel office, the Civil Service Commission, the Department, etc.—that element of management commitment and resulting "solution" behavior essential to improvement action will not be forthcoming.

While it is not unusual for managers of organizations to shy away from and reject their personnel management role and responsibilities—often having been selected for management positions on the basis of their technical specialty skills or other factors not connected with those distinct abilities implicit in managing—organizations typically overcome this situation by ensuring that persons are exposed to management concepts and developmental experiences prior to (or at least soon after) entering a management position. Such a management orientation or development program has not been used in BIA, for either those reaching leadership positions "through the ranks" or those brought in from elsewhere. New managers, often in management positions in a large and/or Federal government organization for the first time, do not have the benefit of being exposed to either general management principles and concepts or the Federal government's and the Bureau's own policies and systems for management.

This has been identified by many as the most significant need of an action plan for improvement: Management development so that persons in leadership positions become aware of and own up to their internal management responsibilities, and thus committed to expanding the time and resources needed for turning the Bureau into an effectively managed instrument for accomplishing its programs.

Identification of the Main Problems

In addition to the almost universal (and generally legitimate) criticism by managers in the Bureau of the long delays and frustrating procedures they run into in practically every dealing they have with their personnel offices—which, as has been said, is typically their only perception of what personnel management is all about—Bureau managers are thoroughly aware of and eloquently speak about the other severe BIA problems in human resource management. Generally, however, these issues fall outside of their conception of personnel management, and hence no problem ownership is recognized on their part. They are not sure where these problems do belong conceptionally or functionally—probably not in the Bureau at all—but with the Department or the Commission or the courts or Congress. In any case, they view them as new and foreign elements producing increasing frustrations to "getting the work done."

Similarly, personnel office staffs—who are equally adept at identifying these problems—find it difficult to identify such issues with the historic personnel action servicing role assigned to them by the Bureau. Hence, they also tend to reject ownership and, in their frustration, throw the problems back at management. The result has been little progress towards problem resolution.

The following issues are in most cases interrelated, i.e., the non-resolution of each one tends to increase the destructive effects and degree of frustration caused by each of the others; and to solve any one, an action plan for addressing all must be implemented. They are listed in the order in which they are perceived as the most critical, based on the extent to which they were commented upon during the discussions held with the 136 managers and personnel staff members in the Bureau.

1. *Indian preference.*—There is no doubt that this subject is the single most visible problem issue in the Bureau today, as well as the issue whose ramifications are the most far-reaching and interrelated with the other personnel management problems.

When Indian preference—which historically (since 1934) was applied only to persons initially entering the Bureau from outside—was extended in 1972 to apply to filling Bureau positions through all other types of personnel actions (promotions, reassignments, transfers, etc.), it is agreed by all that the change was accomplished in a very sudden manner and without the benefit of the kinds of planning and communication processes which would have addressed the extensive psychological and managerial/procedural implications inherent in such a radical personnel management change. Neither were these needs met in 1974, after the court decisions spelled out in great detail the extent to which positions must be advertised and made subject to Indian preference.

As a result, the extension of Indian preference has caused:

Deep emotional reactions, often splitting the employees in an office into almost hostile factions;

Many non-Indian employees to feel threatened, in relation to both their opportunities for further career advancement in the Bureau and their own psychic image as wanted-and-needed contributors in the Bureau;

Managers to experience increasing difficulties in filling their positions in a timely manner with persons perceived as well qualified, and in making personnel shifts needed for reasons of improved efficiency and performance; and

Personnel office staffs to have severe difficulties in effectively implementing this new staffing factor, what with the lack of planning and preparation with which the change occurred and of management direction since then.

Typical comments illustrating the present situation, made by Indian and non-Indian managers alike, reflect both the real and the psychological barriers to management action which Indian preference has become in the Bureau:

"Non-Indians feel dead-ended in their positions and are losing their challenge for the work and for giving out with new ideas."

"The pendulum has swung too far; we are not getting people as qualified as needed into our jobs."

"We've been sliding around for four years on the issue and have lost the ability to move employees, reorganize and make needed functional changes."

While it is apparent that the Indian preference extension had the intended effect of finally getting Indians into many positions, particularly higher graded ones, where they had not been before (because of past actual discriminatory practices, many will add), it is also obvious that the action had many other, presumably unintended results which constitute the core of the personnel management problem situation. Present conditions and operations do not generally result in a sufficient supply of good candidates for jobs, Indian or non-Indian; do not hold out the promise that this situation will improve; and continue to leave the practical questions of restructuring jobs downward and re-advertising jobs over and over again (both in attempts to obtain Indian candidates) without any effective Bureauwide guidance or direction. Each part of the organization feels it has been left to itself to struggle with these complex issues which should have the benefit of Bureauwide policy and procedural leadership.

2. *Tribal consultation on personnel actions.*—Traditionally the Bureau has conferred informally with appropriate tribal leaders on the prospective appointment of persons to at least the top management position in an agency, i.e. the Superintendent. The nature and scope of this practice was changed drastically in the early 1970's when the Bureau's new top management team formalized and directed consultation with tribal leaders in such cases and, in the opinion of most persons, deliberately left the tribes with the feeling that they, rather than the Bureau itself, were the actual selecting party on positions in agencies.

Managers now feel that no meaningful Bureau guidelines have been issued in this area, with the result that the nature, scope and methods of tribal consultation show tremendous variation from Area to Area and even agency to agency. One thing is common: The trend is towards more and more problem-producing situations, with tribes permitted to constitute the effective final selecting authority for *all* positions in some agencies; tribal pressures becoming intense (and often decisive) on appointment, promotion, and removal actions for specific individuals; and inter- and intra-tribal factionalism playing an increasingly important role in filling (and vacating) even Area office jobs.

"We are reaping the whirlwind from our failure to define what 'consultation' means."

"Tribes have been led to believe they make the selection."

"Each agency does it its own way—we have no standards or guidelines."

"We need firm limits, in writing, on consultation. BIA employees are Government employees and cannot have the tribe as their boss."

Few people would deny that tribal views and preferences should be sought on the filling of the top agency position; but most have concluded that the present lack of direction has led to a "running-for-office" environment catering to tribal politics and subversive of effective management of the Bureau itself. As one Indian manager put it:

"Tribes are just like any other small community—scratching each other's back, living off each other, and making decisions on political and family considerations. But the Bureau is supposed to represent the Federal government with its principles of merit, accountability, conflict of interest, etc."

3. *Indian intake and development.*—Given the great need and opportunities for Indian candidates for Bureau positions since 1972, and the generally recognized fact that there are insufficient numbers of Indians qualified and available for many types of Bureau work, one would assume that this staffing problem had been addressed through an Indian intake-and-development program.

Many reasons are offered for why it has not. Referring back to the Bureau's narrow conception of personnel management and responsibilities, this is another instance where management shows non-ownership of the problem. Further, with few exceptions past practice provided the Bureau with little preparation or expertise for visualizing or attempting such a staffing venture: Jobs had always been perceived as being adequately filled through the colleague/family/friend mechanism. The one significant exception—the coordinated, nationwide teacher recruitment program—was for various reasons discontinued and was not viewed by most managers as a solution model.

The problem of ensuring that an adequate source of manpower exists for its various jobs is a normal one faced by all organizations and generally met through the personnel management system. With the additional factors of Indian preference and self-determination, the problem for BIA is one of forseeing its specific skill needs, counseling and assisting Indians to prepare for various occupations needed by both the Bureau and the tribes, using recruiting methods which reach those already qualified, and operating an intake-and-development program of sufficient proportions to guarantee a reservoir of trained replacements for those who are leaving.

"For years we have badly needed a program, with budget and ceilings, to hire and train Indians to replace the many people who will be leaving."

"We never had a real training and development program in the Bureau, and few Indians are preparing themselves for many of our crucial work areas such as natural resources, realty and appraisal, and management."

"Managers are scarce both in BIA and the tribes. What are we doing to remedy the situation?"

The answer is very little so far. Again, some parts of the Bureau have attempted to address the problem, but with inadequate resources available to them, lack of Bureauwide leadership, and in isolation. Some feel that this constitutes the biggest indictment of the Bureau's failure to ensure that it is an effective instrument for providing services to the Indian people: It's inability to staff itself now and in the future with "the best."

4. Qualification requirements and determinations.

"The attitude is that an Indian is qualified for anything. Rating procedures are lousy and in effect say 'Put an Indian in there—it doesn't matter whether he knows the job or not.'"

"'Minimally qualified' has become 'hire any Indian.' There is an over-emphasis on education instead of the actual abilities needed for the job. And we don't feel we can do anything about it or have any control over our own qualification requirements."

"The personnel people qualify everybody—there is no bottom to 'minimum;' and the consultation process means that tribes can recommend anybody on a certificate, whether highly qualified or not."

"We are not getting the best type of applicants because of Indian preference, and too many minimally qualified are having to be selected. This is a disservice to the Indian people."

These comments, by Indian and non-Indian managers alike, point up the most ironic example of management's historic non-ownership of its personnel management responsibilities: The inability of the organization to define and implement qualifications needed for successful performance of its own work. Managers sincerely believe that they do not have either the authority or responsibility to do this, pointing to "the system" as implemented by personnel offices as the culprit.

Again, the Bureau's past record unfortunately does not provide a useful model or experience base for dealing with this issue. Most people agree that little attention was ever placed in the past on determining in a systematic manner the qualifications needed for the various main types of Bureau jobs, many of which—if not unique—are peculiar to BIA. Thus the actual knowledges, abilities and skills for positions such as Area Director, Superintendent, Administrative Manager, tribal operations officer, and many others have not been set down. No explicit system of career paths, defining type of experience needed "to get from here to there," was established; and no attempt was made to systematize the relevance (if any) of such factors as variety of geographic and/or functional experience, understanding of and empathy with Indian culture and values, or the host of other factors conceivably important in Bureau work.

Candidates have generally "emerged" in a haphazard manner through personal contacts and influences; and the rating process has typically consisted of a mechanical personnel office procedure to ensure that the minimum civil service education/experience qualifications (X-118)—if they existed at all for the type of position being filled—were met. As some Indian managers now say, "What is all of this emphasis suddenly on qualification standards?" Too many examples of mismatches and mis-performance—in very visible Bureau positions—from the past are widely known to conclude that the Bureau has operated an effective qualification definition-and-application operation.

The difference now is that Indian people are far more formally and effectively involved in and concerned with the effectiveness of Bureau operations, in the Bureau's ability to provide services—and hence in the extent to which its managers and others measure up to criteria of successful performance. Through the operation of Indian preference, tribal consultation, and self-determination/contracting, the matter of qualifications—both general standards as well as their application to specific cases—has become very visible and controversial.

As evidenced by the above comments by managers, no improvement is more fundamental to and needed in Bureau management of its human resources than a systematic effort to define the qualifications needed for the Bureau's major types of jobs; and the establishment of procedures to determine the extent to which individuals may reasonably be expected to actually measure up to the more specific requirements for successful performance in each position being filled. A clearer personnel management responsibility for the managers of an organization to ensure is fulfilled, is difficult to imagine. And to a large extent, the degree of potential success in effecting improvements in the areas of Indian preference, tribal consultation, and Indian intake and development depends upon the Bureau's meeting the challenge of qualification standards and determinations.

5. *Performance standards.*—Closely associated with the qualification standards problem—and with the absence of program evaluation in general in the Bureau—is the lack of performance standards and their application. The severity of this problem, typical in many organizations, may be no different or worse in BIA; but again its significance has been increased by the new challenges to Bureau personnel management of the last few years.

"Nobody evaluates anybody else."

"The lack of performance and suitability standards is a long-standing problem in the Bureau, which has not taken action on flagrant non-conformance cases of alcoholism and immorality."

"Nobody's willing to do it—so there's alcoholism at high management levels, positions filled by sick and neurotic and senile persons who should retire or be removed. But nobody wants to be mean or nasty—everyone wants to be a 'good guy.' "

Here again the Bureau is not able, as it should be, to serve as the model to Indian people and tribal governments. Always with the exception of the occasional individual office or managers, since the Bureau did not institutionalize a performance system addressing even the minimum of the suitability factor, it is not surprising that many now feel that there is a large element of hypocrisy, or plain discrimination, in emphasizing this subject as the Bureau becomes more and more "Indianized." But as an Indian manager stated:

"It is true that an Indian won't 'write up' another Indian—but this is wrong and must be changed. Treating Indians like children is not doing them a favor."

A very direct and damaging effect of this absence of a meaningful performance evaluation operation is the inability of the placement function to screen effectively on the basis of "the record." While "everybody knows" that a certain candidate for an advertized position is ineffective for this-or-that reason (alcoholic, unreliable, untrustworthy, etc., etc.), the formal record contains no reference to this less than satisfactory performance. And even if direct inquiry is made, through vouchers or phone calls, of persons "in the know," they shy away from putting themselves on record regarding the person's lack of qualifications. Thus the lists of candidates on certificates are viewed with great skepticism, and "the system"—through the personnel offices—is blamed for doing a poor evaluation job.

The importance of such organizational values as standards of performance, responsibility, and accountability is becoming more and more evident to Indian managers in the Bureau and to many Indian tribal governments. As the Federal government's only instrumentality devoted solely to providing assistance and guidance to Indian people, the Bureau needs to be a pacemaker in managing itself according to these principles.

6. *Classification standards.*—Primarily because of the results of the personnel management evaluations conducted throughout the Bureau in the past 18 months, the issue of the proper occupational series and grade levels of positions in the Bureau has been spotlighted and recognized as a major problem area. And in this area too many of the factors mentioned again and again above come into play: Non-awareness by managers of their responsibility ownership; past experience of little model value for needed improvements; and an understandable skepticism regarding the coincidence of time and the degree of objectivity with which this problem came to a head, in relation to the "Indianization" of the Bureau.

Perhaps to an even greater degree than in many other Federal agencies, position classification as a disciplined management tool has traditionally been deemphasized in the Bureau. All of the factors which have given rise to today's Governmentwide situation—use of upgradings to compensate for perceived deficiencies in the Federal salary structure, bureaucratic tendencies to "empire build" and proliferate organizational layers, misconceptions regarding basic classification principles such as "rank in the job and not in the person," and so on—operated in BIA, as well as several others. Often termed classification "myths" by managers themselves, various "principles" were believed in and applied Bureauwide, including the ones that all positions with the same title (e.g. Superintendent and Administrative Manager) or at the same organizational level in similar offices (e.g. Area Office Branch Chiefs) were to be at the same grade level; and that BIA work in general was "unique" and could not be properly classified by using the regular Civil Service standards since these were based on jobs in urban settings and/or certainly did not take into consideration the trust responsibility and government-to-government elements inherent in Bureau work.

The result was that managers here too saw the personnel office role as limited to that of expeditiously processing actions handed to them, the grade levels of which were generally determined beforehand by reference to these "myths" and other non-classification-standard factors. And personnel offices found little incentive or reason to write any different script. The "right" wording of position descriptions was much emphasized; while the practices of conducting desk audits, writing evaluation statements, and testing the position/organization structural strength of offices through cyclic reviews and audits were almost non-existent. With few exceptions, efforts were not made either to get Civil Service classification standards revised or expanded to recognize specifically any classification factors peculiar to Bureau jobs, or to develop single-agency classification guidelines based on Civil Service standards.

The reaction of most managers to the current classification problem situation is therefore understandable if not excusable. They generally do not see themselves as responsible for being acquainted with or ensuring the application of the factors which are to determine the grade levels of their positions; they perceive their personnel offices' newly-found interest in this question as an unnecessary over-utilization of one of the most burdensome features of "the system" without which they got along very well so far; and they see themselves as being made doubly the victims of circumstances beyond their control—the Bureau being unfairly picked out as a guinea pig for the current classification "craze," and the Bureau suffering because of "the system's" inability to recognize its special needs in classification matters.

The sooner the Bureau has met its needs for any standards revisions and guidelines, common position descriptions, cyclic audits, and other traditional elements of the Federal classification system, the sooner it will have facilitated the solution of the many other complex personnel management problems described herein.

7. *Supervisory/managerial training in personnel management.*—It is more than evident from the above that one of the major problem areas in human resource management is the lack of effective orientation and training of managers and supervisors in this aspect of their responsibilities. This problem was, quite naturally, commented upon mainly by administrative and personnel officials during the field discussions, but several program managers also talked of this need. The supervisory correspondence-type training course employed by the Bureau for some years was generally viewed as somewhat helpful (although even this has not been consistently put into use Bureauwide), but was recognized as not serving this specific need.

The crux of the problem is the need for a major conceptual/attitudinal change in Bureau managers, particularly at the top levels, concerning personnel management. In view of the general management situation analyzed in the preceding section, this constitutes a major challenge. Managers must own up to their responsibility for making the Bureau itself a well-managed organization, one part of which of course consists of the human resources. The present attitude, that internal management affairs are a burden imposed by some "outside system" which "others" hopefully will take care of must change to one which accepts the leadership role and starts establishing an institutional reward system based on effective management.

Managers and supervisors are right when they contend that they do not have to know all of the detailed rules and regulations and procedures of Federal personnel *administration*—which unfortunately may be the thrust of some training efforts being advised at this time. They do not have to know the principles and policies of the Federal personnel *management* system, and the Bureau's own adaptations of these in their major form—because they *are* responsible for ensuring that Bureau personnel operations are conducted accordingly. The conception of personnel management must change from that of an imposed control system to that of an internal policy-and-process operation needed by the organization if the Bureau is to accomplish its mission successfully.

8. *The personnel function itself.*—As has been implied, the Bureau's personnel staff function itself has to a large extent become part of the current problem. Managers are of course very vocal in leveling their criticisms here; but, as indicated above, since their general conception of personnel management and of the role of personnel offices is itself part of the problem, the degree to which their analysis can be depended upon to solve these problems is limited. Hence, improvement actions which have taken place so far have mainly been devoted to meeting some minimum personnel function needs, and have occurred chiefly because forces external to the Bureau recognized the urgency and severity of these basic problems and convinced the Bureau to act.

Some managers believe the Bureau "could have done it itself" and started on a path of corrective action and constructive problem resolution. The point remains moot since this did not actually occur, and external parties concluded that their intervening role was essential. Hence the March 25 Agreement and the resulting subsequent actions in Central Office personnel office staffing and organizational arrangements, position classification control procedures and training. Area office assistance, etc.

Traditionally, the personnel office functions in the Bureau accepted its limited role definition stated above and operated accordingly. Exceptions can be cited, of both individuals and program thrusts, but generally personnel staff members saw to it that personnel actions and matters were handled as they emerged from managers, to satisfy the perceived requirements of "the system." Outreaches beyond this basic personnel administrative role into the more pro-active personnel management arena—standards development, position management surveys, cyclic classification audits, policy formulation and revision, and generally interactional operations to identify and solve managerial problems—were limited, both by the organization's non-recognition of their need and often by the capabilities of personnel staffs.

As the dramatic events in the Bureau's life started to take place and gave rise to radically new demands and needs in human resource management, the result was chiefly the development of the "two hostile camps" syndrome (managers/supervisors vs. personnel staff) rather than a mutual ownership of new problems and the mutual development of new, constructive policies and procedures for their resolution. Personnel staffs could not see how the complex personnel problems arising from Indian preference, tribal consultation, contracting out, shrinking employment ceilings, constant organizational shifts, and rapidly changing leadership were either caused by them or amenable to being solved by them, given their resources and defined institutional role. Neither did managers, although in their ent scapegoat for much of the trauma. The inevitable result was a decrease in the search for a problem locus, many found that personnel offices provided a convenificiency of what the personnel function *had* done up till then—action processing—which further compounded the problem and led to even more frustration and criticism on the part of managers.

The path out of this dilemma for the personnel function has been pointed out during the past few months since the March 25 Agreement started to be implemented, and now needs to be pursued in a long-range planned and consistent manner. Starting with actions adequately to staff and train the personnel offices and staffs themselves, the main areas to be addressed are:

Re-defining and clarifying the role of the personnel office function within human resources management.

Establishing a program planning system for setting priorities and integrating the activities of the main speciality functions.

Developing the function into a coordinated and cooperating network of offices working towards common goals under common concepts, and sharing problem perceptions and solution approaches in order to attain greater efficiency and effectiveness.

Improving operational ways of doing business through a Bureauwide systematic study and further application of automated methods.

Operating a Bureauwide evaluation program, in cooperation with the Department and the Civil Service Commission, to serve as a self-correcting and self-developing mechanism for problem identification and resolution.

Then—the personnel function should be able to meet both the problems and challenges of *its* part of the management work to be done: Standards development, policy formulation and issuance, position management, major staffing program development, management training, etc.—as well as the difficulties of personnel processing operations.

Provided—that management recognizes *its* proper role in human resource management and exhibits the leadership attitudes and behavior congruent with these responsibilities.

ACTION PLAN STEPS

The actions which are called for by the current personnel management situation of the Bureau flow directly from the above analysis made primarily on the basis of the information obtained from managers and personnel staffs. These actions, as the preceding analysis, fall in the three main categories of (1) Those improvements in general management required as a foundation for (2) The more specific human resource management problem resolutions, which must take place under the leadership of management and with the assistance of (3) The redirected and regenerated capabilities of the personnel staff function itself. The official with primary responsibility for the action is identified, together with an indication of the appropriate time frame for action accomplishment.

GENERAL MANAGEMENT

1. Establish an effective institutional focus for internal management

The Bureau must have a line official responsible solely for its own management. Typically an organization's top manager has a multiplicity of other legitimate concerns and roles occupying his/her time; in the case of the Commissioner of Indian Affairs, matters relating to tribes and tribal organizations, the Department of the Interior and other agencies, OMB, Congress, etc., necessarily must take precedence. The Deputy Commissioner similarly is involved primarily in the operating programs themselves, serving as the Commissioner's "alter ego" in these areas and in effect as a Deputy Commissioner (Programs).

The type of institutional function not currently recognized and performed in a clearly focussed and structured position is that generally referred to as chief of staff. This person, serving as "alter ego" to the top manager on internal management matters, ensures that the organization develops and implements the policies, systems and procedures needed in the areas of monetary, human, and physical resources—all three of which any organization requires for its own existence and health. The chief of staff ensures that (1) Planning for these resources is accomplished, (2) Objectives are set for their use, (3) Standards and policies for their operation are formulated and implemented, and (4) Systems and programs are in effective use for continuual communications and evaluations regarding internal management problems arising and their resolution. Time is not occupied primarily with individual cases and day-to-day questions arising for settlement; but with the principles and policies (e.g. on organizational arrangements, allocation of resources, and information managing methods) providing the underlying foundation for resolving these actual cases.

At the present time this institutional management role is not clearly defined or visibly placed in any position in the Bureau. As a result, some elements are picked up by the Commissioner, the Deputy Commissioner, the Director of Administration, various assistants to the Commissioner, and still others; while to the largest extent the role goes unfilled and "everyone blames everyone else" for the non-effective performance. The charges of organizational dysfunctions, manpower mis-allocations, work method anachronisms—and the excruciating delays experienced in any matters dealing with these aspects of management—stem from the absence of this clearly established internal management role.

Time frame for implementation.—The present opportunity of the vacancy in the Deputy Commissioner position, and the normal expectation of other major changes at top management levels occurring every four years, should be used to institutionalize this role in the Bureau. Various specific titles are possible, e.g. Deputy Commissioner (Management), Associate Commissioner for Internal Management, etc., with the significant point being not the title but the concept: *Line* "alter ego" for the Commissioner on internal *management* (as distinguished from the staff role of administration).

Responsible official.—Commissioner of Indian Affairs, in consultation with the Office of the Assistant Secretary—Management.

2. Establish and operate an analytical program in the organizational, manpower allocation/utilization, and work methods areas

The Bureau does not have an effective, clearly identified system for ensuring that organization arrangements, allocations and utilization of manpower, and work methods being used are consistently studied, analyzed, and changed based on shifting program priorities, improved technology available, and the changing realities of the Bureau's environment. These internal management matters receive everybody's and nobody's attention, with the result that changes proposed by the field are based on little Bureauwide guidance and are subjected to long delays when reviewed; most changes that should be made are not effected; and those that are made are viewed with skepticism and suspicion in many quarters.

Closely related to the establishment of a line position for internal management (above) and with the option of connecting it directly to this position organizationally, this analytical function would serve as the "eyes and ears" of the Bureau's internal manager on organizational, manpower allocation and utilization, and work methods matters. A schedule of studies would result in the establishment of benchmark standards for the staffing of (and allocation of manpower to) major Bureau operations and the performance of primary tasks. Guidelines on appropriate organizational arrangements in relation to such standards would be produced and available for analytical and application purposes; and explorations would be made on the applicability in the Bureau of novel and different structures such as project management and the service center concept. Major improvements in methods of operation would be pursued through a consciously planned schedule of studies and analyses.

The recognition and performance of this role would give managers and employees a designated place for communicating their improvement ideas and achievement actions in organizational, manpower utilization, and work methods matters. At the present time some Areas and agencies are experimenting and taking various actions in these fields, but in isolation from other parts of the Bureau and with no knowledge of similar or different actions taken and results attained elsewhere. The general feeling is that the Bureau as an institution is neither interested in nor capable of providing leadership here.

Time frame for implementation.—Since this small staff function needs to act as the problem identifier, analyzer and solution-proposer to the Bureau's internal manager in the specified fields, it seems appropriate to establish the function as an integral part of the institutionalization of the role discussed in (1) above. However, it does not necessarily depend upon the implementation of this prior action step, as the staff role could be established now in the present Office of Administration.

The work to be done lends itself to a project-type, primarily temporary-assignment staffing pattern, to a great extent using some of the people now scattered around the Bureau in various line and staff positions with these analytical abilities and work interests. In many cases there would be no need to bring the full staff together physically; in fact, some elements of the function could best be performed on an assignment basis by persons in the Areas and agencies. A primary responsibility of the staff head would be to identify these persons and the analysis/improvement opportunities, and then direct an operation which brought the two together to produce a more rational basis for organizational, manpower allocation/utilization, and work method decisions in the Bureau.

Responsible official.—Commissioner of Indian Affairs.

3. Design and conduct a program evaluation operation

Since the Bureau has recognized the urgent need for a clarification of its basic mission and is now engaged in producing a mission statement together with the framework of program responsibilities flowing therefrom, the required foundation for setting standards of operation will presumably exist. The importance of carrying through this mission and responsibility definition work cannot be emphasized too greatly. It should constitute the number one priority of Bureau management, leading then to the development of program standards against which actual operations are evaluated on a regular and periodic basis.

As long as Bureau managers are uncertain of the results expected and for which they will be evaluated, the undisciplined nature of operations as characterized by the managers themselves will continue to prevail. Understanding what they will be held accountable for, and then held so accountable through periodic evaluations, managers will have an opportunity to demonstrate their true managerial abilities, and the Bureau to judge its managers on the basis of more objective and relevant criteria than at present.

Time frame for implementation.—As indicated, the development of program standards and the subsequent establishment of a program evaluation operation shouldl follow right behind the mission-and-responsibilities definition work now taking place. Task forces in each of the major program areas, presumably with participation by Indian tribal representatives, could work simultaneously on standards development; while the system and procedures for program evaluation were being developed on a project basis as a top priority of the Bureau's management team.

Responsible official.—Commissioner of Indian Affairs.

4. Develop a communication/team work management style

The managemenet problems of the Bureau addressed in this plan will not be changed significantly unless a more cooperative way of doing business becomes standard operating procedure in the Bureau. The organization needs to have its significant management problems brought out into the open, examined and discussed by the responsible managers in a team atmosphere, and resolved in such a manner that commitment to and respect for the decisions made are the result.

For whatever reasons—the lingering effects of the military roots of the Bureau, the traditionally authoritarian nature of an Education function, a "spill-over" effect into internal Bureau management of its historic operational style vis-a-vis the Indian people served—it is apparent that communications in the Bureau have typically been conducted in a highly formal, close-to-the-chest manner. Persons to be affected by policies are not generally involved in the deliberations leading up to their determination; and decisions are made in managerial problem areas with little input from those living directly with the problems. All of the symptoms characteristic of this style of communication management—great dependence on rumor and grapevine, intense skepticism of the fairness and equity of the decisions made, non-commitment to or ownership of the results, and much factionalization and internal strife—are visible in the Bureau and result in problem situations of still further intensity and frustration.

One of the most poignant comments made during all of the interviews and discussions leading to this Action Plan was by a manager who pointed to the fact that while the Bureau was espousing broad consultation with tribes, it was the greatest violator of the consultation principle in its own management. At every level of the organization—Commissioner, Central Office Directors, Area Directors, Assistant Area Directors, and Superintendents—problems affecting the whole staff and whose resolution will have general impact are usually not surfaced openly, considered by the group, and meaningfully explored from different viewpoints. Managers do not seem to recognize a communications responsibility of this type or to be aware of the unconstructive results of the means they do use. Several persons commenting in this area labeled the Bureau's communication methods as rank discourtesy and crudeness.

Since communications is a factor of such more fundamental elements as trust and general value systems, a style more conducive to and reflective of team work can of course not be mandated for an organization. However, a conscious decision *can* be made by its managers to adopt certain methods and procedures which will start generating cooperation and mutuality, and thus tend to turn the situation around into one of more and more interaction and receptivity to working together. The problems of the Bureau—both program management and internal management—are so immense that it would seem only self-evident that their resolution calls for managers and staffs to work together in an atmosphere of openness, trust, and a recognition of the need for using all problem-solving resources available. To use a communication style which simply further frustrates the institutional members places still further obstacles in the path of problem resolution.

Time frame for implementation. When the management structure of the Bureau has stabilized, an explicit decision needs to be made at the top to start operating and communicating in such a way that a team is built rather than a continuation, or even further growth, of the present isolated and fractionalized situation. Of course, any individual manager (and some already have) could act in this fashion within his own part of the organization at any time. There are many useful methods and aids available for a manager's use in such an endeavor if he/she recognizes the problem and wishes to work on it.

Responsible official.—Commission of Indian Affairs—to provide leadership in policy adoption and congruent follow-through behavior; and all other Bureau managers.

5. Institute a management development program.

The needs in this area have already been analyzed and commented upon. The specific main efforts called for include:

Orientation for present and new managers. Many of the persons now in management positions (defined for this purpose as the Commissioner through Division Chiefs in the Central Office; Area Directors through Assistant Area Directors—or the equivalent Division Chiefs—in Area offices; and Superintendents) are comparatively new to management in a large organization. Many others similarly situated can be expected to enter into these positions in the next few years. All should have the opportunity to become acquainted with (1) The basic principles of general management, (2) The major principles and policies of Federal government management, and (3) The major Bureau policies and programs implementing these. It is a disservice to both the person, the organization, and the Indian people looking to the Bureau for services to make believe that a person suddenly is transformed into an effective manager by simply attaining the position and title of one. If such an orientation seems demeaning or unnecessary to anybody proposed for a management position, it would seem appropriate to reconsider the appointment.

Guidelines for career development. The Bureau owes both its employees and itself a statement outlining the general types of career experiences appropriate for persons aspiring to management positions. Such guidelines or model pathways would cover the questions of functional diversity, staff versus operating experience, need (if any) for geographic variety of experiences and mobility, etc. The need for this type of management development material is especially urgent in view of the increasing number of Indian persons to be developing into Bureau managers and the increasingly related trend towards tribal and/or geographic parochialism.

Identification and development of management potential. Closely related to the Indian intake-and-development program discussed below, a program needs to be established through which the Bureau pinpoints specific employees considered to possess to a high degree the potential to become managers, and then provides them with developmental opportunities. Screening and selection methods need to be thought through primarily from the standpoint of the persons concerned actually assuming specific management positions upon the completion of the individually tailored developmental experiences. The understudy technique seems particularly appropriate here.

Time frame for implementation. Each of these three parts to management development needs to and can be designed during Quarter 1 of FY 1977, so that implementation can begin by January-March 1977. All three elements need input from a small and carefully selected group of experienced Bureau managers working closely with Bureau and Departmental training staff as resource persons.

Responsible official.—Commissioner of Indian Affairs—to give the go-ahead signal and general objectives definition; Director of Administration—to ensure implementation.

HUMAN RESOURCE MANAGEMENT

The many specific action steps needed to address and resolve the human resource management problems analyzed above are closely dependent upon each other for effectiveness, i.e. they need to be implemented together if any is to have full impact. The total action package will ensure that the Bureau's human resource needs are (1) Identified, (2) Met through various action programs, and (3) Addressed by clear policies and constructive procedures. These action steps assume no *major* change in the current application of Indian preference, although certain procedural changes are called for below.

1. Forecast the Bureau's manpower needs.

While everybody talks about the manpower the Bureau needs and the difficulties of finding qualified persons, no systematic effort has been made to identify more specifically the numbers and kinds of persons needed to staff the Bureau within a given future time period.

Recognizing the difficulties and uncertainties inherent in trying to forecast these needs with a degree of specificity—particularly in view of the generally unpredictable developments regarding contracting under PL 93-638, major potential shifts in program priorities, and possible passage of early retirement legislation for non-Indian employees—the Bureau still can and must produce "ball park" projections sufficiently valid to serve as the basis for major staffing action programs. By using broad categories of manpower—e.g. general managers, natural resource specialists of major types, realty and appraising personnel, administrative staff members, etc.—and comparatively flexible time period—e.g. two or three years hence—sufficiently accurate estimates of the need can be produced for the intended purpose. Past experience in turnover and hiring can serve as partial guides, as reflected in any relevant statistics obtainable from the Bureau's automated system as well as managers' own records.

This manpower planning operation should be limited initially to job categories considered significant Bureauwide from the standpoint of expected difficulty in filling needs, so that it does not become immediately encumbered by any peculiarly local problems in the clerical and sub-professional categories.

Time frame for implementation. Since the results of this manpower planning exercise are needed immediately as the basis for many other action steps, it must commence at once. By avoiding unnecessarily sophisticated procedures and hewing to the objective of producing "ball park" estimates of major categories, the manpower planning contemplated should be able to produce results during the early part of Quarter 2 of FY 1977.

Responsible official.—Director of Administration—to give go-ahead signal and general objectives definition; Chief Personnel Officer—to ensure implementation through the use of the project method with participation from concerned functions.

Three closely related actions are then needed to *meet* the Bureau's manpower needs more effectively than at present. The next three steps address the staffing problem from the immediate, intermediate, and longer-range perspectives, with the results of the manpower planning program in (1) about naturally providing more specificity in regard to the types of manpower skills and the numbers being dealt with.

2. Institute a positive recruitment system.

Both a conceptual/attitudinal and a procedural change is involved here. A role definition and clarification must occur in regard to the mutual responsibilities of managers and personnel offices for locating and developing sources of fully qualified candidates for vacancies above the clerical and sub-professional levels. The policy should be adopted and clearly stated that functional managers have a responsibility for keeping aware of and in contact with the main sources of their potential manpower; while personnel offices must work closely with managers to provide helpful procedures and assistance in developing and actually drawing from these sources. At the present time, managers and supervisors not only do not understand that they have this responsibility (since this has never been pointed out), but often believe "the system" actually forbids them from contacting and cultivating those organizations (academic institutions, other government agencies, professional societies, etc.) and individuals constituting potential sources of qualified applicants in their field.

A specific part of this positive recruitment system must address the requirement, not presently being met, for the Bureau to be knowledgeable of and have an effective procedure for communicating with potential sources of qualified *Indian* candidates. A number of managers stated that the larger part of the Bureau's problem in filling jobs with fully qualified Indians is not that there are none, but that effective ways of locating and interesting those who do exist are not being used. A specific recruitment project is needed which gathers together from all available information sources within and outside the Bureau data on Indians in various managerial, administrative and professional fields—both to communicate with them regarding their potential personal interest in appropriate Bureau employment opportunities, and to elicit their cooperation in developing further recruitment sources of Indians.

This type of a positive recruitment effort must become standard operating procedure to supplement the present "PCB'ing" or advertising of vacancies. As a matter of course, the network of managers (from Central Office to Area offices to agencies) in each major occupational/functional field must constitute a communication channel regarding potential staffing sources for its own type of work and specific vacancies that occur; and personnel offices must develop and use positive outreach methods to help managers cultivate and draw more effectively from these sources. Thus, Bureauwide resources will as a matter of course be drawn upon for locating qualified candidates for specific vacancies, wherever they occur in the major Bureau functions.

Time frame for implementation. The heavy work required to develop an effective recruitment system of this type needs to commence immediately. Pursued on a full-time project basis, it should be possible to have at least initial parts of the project operational by Quarter 3 of FY 1977.

Responsible official: Director of Administration—to give go-ahead signal and general objectives definition; Chief Personnel Officer—to ensure implementation in consultation with appropriate functional managers, and through the use of the project method of participating from major functions; and the top manager of each functional area—to give leadership in his area for fulfilling the recruitment source cultivation responsibilities.

3. Develop and operate an Indian intake-and-development program.

Even before manpower projection estimates and the benefits of a positive recruitment system for locating presently fully qualified Indian candidates are available, it can be safely stated that the Bureau must commence a large Indian intake-and-development program. The manpower forecasts will help to determine more specifically the types of occupations, target position, and numbers involved; but it seems clear that at least in the areas of general management administration, and realty/appraising, large numbers of vacancies will be occurring in the next few years for which an adequate supply of fully qualified Indian candidates will not be available unless positive action is taken to ensure otherwise.

This massive staffing effort, represents the key to the solutions of many of the other parts of the Bureau's complex personnel management problem situation. Unless Indian employees and tribal members become convinced that Indian preference means that higher graded positions in the Bureau will be filled by selecting from among numbers of fully trained and experienced Indians, discrimination will continue to be suspected and tribal consultation will remain a frustrating element of the selection process. And unless the Bureau fulfills such a basic responsibility as developing an adequate reservoir of the kinds of skills needed for its own effective leadership and servicing role in the future, many will continue to doubt its ability to fulfill its basic mission responsibilities.

The program required calls for:

Determining the specific types of target positions for which participants will be developed, e.g., Superintendent; Administrative Manager; the various administrative specialties (personnel, budget, etc.); realty officer; appraiser; etc.

Determining the numbers of participants needed per "intake class" in each of the general occupational categories.

Costing out the program's first year and obtaining authorization, appropriation, and employment ceilings from Congress and OMB.

Developing recruitment, screening and selection procedures in consultation with tribal representatives.

Designing the comparatively short initial general orientation and training program for all participants, including location and training program for all participants, including location and training resources to be used.

Planning for the more individually-tailored development phase of the program, by major occupational category/type of target position and by each participant's particular needs.

Establishing a network of specific understudy, formal training course, and OJT experience which ensures that each participant reaches the fully qualified status within the time and skills level objective of his/her individual development plan.

For a program of this major proportion and significance, all possible and available assistance must be utilized. The experience of the two or three Area offices operating their own Indian development/intern programs should be tapped; similar staffing programs in other bureaus (e.g. National Park Service, Reclamation) should be reviewed for possible helpful guidance; and the views and suggestions of Indian tribes on methods of recruitment, screening and selection should be major determinants. The perceived reluctance of many Indians to join the Bureau—particularly those who already have gained some work experience in other organizations, and who are the ones particularly needed as participants in the Bureau's program—must be overcome. Indians already in the Bureau, who may meet the program entrance requirements, must be remotivated to become one of the sources of program candidates.

Time frame for implementation. A task force of carefully selected Central Office and field operating and administrative persons, headed by a project manager, must be established during Quarter 1 of FY 1977, to ensure that the required steps are accomplished so that budget and ceiling resources are included for FY 1978 program operation. With Departmental assistance in the design of both the financial and personnel aspects of the program, plus utilization of Civil Service Commission advice and training resources, it should be possible to develop the required structural and procedural features of the program so that the first recruitment/screening/selection operation takes place during Quarter 4 of FY 1977, and the first "intake class" reports for initial orientation during Quarter 1 of FY 1978.

Responsible official: Commissioner of Indian Affairs—to give go-ahead signal and general objectives definition: Director of Administration—to ensure program development through the coordination of the personnel and budget functions, and with the leadership of a project manager and appropriate task force.

4. Take steps to grow Indian candidates for technical/specialist positions

Again it may be safely concluded now that Indians are not preparing themselves in careers in the engineering and natural resources (forestry, soil science, range management, etc.) fields in sufficient numbers to meet either the Bureau's own future needs or those of the tribes themselves. Many persons have stated that while there has been a dramatic increase in the past few years in numbers of Indian people pursuing higher education, comparatively few are preparing for these career fields as distinguished from education, law, and social science fields. At the same time, however, these are the fields directly related to the all-significant Indian land base and trust responsibility matters.

The Bureau must make those efforts that seem only commonsensical to change this situation, i.e., as a minimum take deliberate steps to ensure that through its own educational grant/scholarship programs Indians are counseled and encouraged to consider the opportunities presented by pursuing educational programs leading to these career fields. Certain specific inducements along these lines may even appropriately be built into the Bureau programs.

Also, even more basic actions by the Bureau can be taken. The need for curricula including more adequate mathematics and science preparation in Bureau schools can be explained to Indian people and advisory school boards. Indirectly, this same effort can be made with those public schools with significant Indian enrollment. Further, standard policy can be adopted calling for periodic visits to Bureau schools by Bureau officials in the economic development and natural resource functions, to acquaint classes with these aspects of the Bureau's work and the great need for these skills by both the Bureau and tribal governments. In various similar ways—if appropriate representatives of the Education, Trust Responsibilities, and Personnel functions contribute ideas and work together as a task force—an innovative longer-range program helping to meet these staffing needs can be designed involving appropriate academic institutions, professional societies, and other interested parties.

Time frame for implementation. By starting task force deliberations in Quarter 1 of FY 1977, specific policies and procedures could be in effect by the end of the fiscal year and hence the beginning of the new school year.

Responsible official: Commissioner of Indian Affairs—to give go-ahead signal and objectives definition; Director of Administration for implementation through the task force method.

Taking the three staffing action steps above—and particularly the Indian intake-and-development program—will to a large extent eliminate the current difficulties associated with Indian preference, and in the best possible way that can be done: Increase the supply of fully qualified Indians available for filling Bureau positions. However, there remain several other elements of the complex of problems connected with Indian preference, and these are addressed by the next three action steps.

5. Issue guidelines on the application of Indian preference

Clear policy and procedural guidelines must be issued regarding (1) restructuring the grade level of positions downward, (2) Readvertising positions when no qualified Indian candidates have applied, and (3) Not filling positions at all when no qualified Indians apply.

At present, each manager in the Bureau is trying to accomplish the twin objectives of filling his vacancies with qualified people so he can get his work done, and at the same time apply the requirements of Indian preference as he understands them. In the absence of Bureauwide guidelines in this respect, there is wide variation in both opinion and practice, from Area to Area and agency to agency, as to how to do this without violating these requirements or having undesirable effects on the work.

On the one hand, some managers believe they should hire nobody but Indians, and in order to obtain any candidates even minimally qualified, will restructure every position downward, advertise positions over and over for a fourth or fifth time, and/or simply leave positions vacant for extended periods of time. The result is generally actual work disruption, with specific tasks either not getting done at all, or done ineffectively or inefficiently because of the filling of so many vacancies with persons in a trainee status. Conversely, others are perceived as making only perfunctory use of these devices to get Indians into their positions, with the result that feelings and charges of continued discrimination against Indians are rampant and internal office factionalism is increased.

Everybody can criticize everybody else's actions in these matters since the Bureau has provided no standards or guidelines to its managers. The processes of qualification determination and tribal consultation are additional complicating factors in this situation, as indicated below.

Nobody argues that both the downward restructuring of positions to recruit at less than full journeyman/performance levels and the readvertising of positions to broaden the search for applicants, are not legitimate methods for any organization to employ as part of its total panoply of staffing techniques; and it is agreed that these are particularly appropriate for Bureau use in implementing the 1972–74 extension of Indian preference. Indians must have opportunities to enter positions where few have been found in the past. But what is needed to make the use of these tools a more balanced and consistent operation in the Bureau is a policy statement which makes it clear that:

The desirability of using either of these two methods in any specific case must be weighed against the potentially deleterious effects they may have on the organizational unit's ability to turn out the quantity and quality of work needed.

Use of both methods in any specific case is always optional with the manager, who is responsible for applying reasonable judgment and common sense in balancing the effects of use versus non-use

> The ability to accomplish the Bureau's work objectives—to perform the required operations so that effective services are being provided to the Indian people—are a paramount consideration in making these staffing decisions, irrespective of the internal Bureau or external tribal pressures that are present for employing Indians.
>
> In no case should a position be filled at less than the journeyman/full performance level unless the resulting situation provides the trainee with a meaningful opportunity to receive the needed additional supervision and training while performing.
>
> In no case will the delay caused by multiple advertising—or not filling the position at all—be any longer than ----- (a prescribed period of time to be determined by the Central Office after field consultation, and specifically included in this Bureauwide policy statement, with any exceptions to be approved by the Central Office).

The basic causes of the present difficulties attendant to staffing Bureau positions with fully qualified Indians will be effectively met only through the kind of major staffing programs called for in (2), (3) and (4) above. As these programs result in more and more trained and experienced Indian candidates for all types of positions, the need to resort to the expediences of restructuring and readvertising will greatly diminish, and thus the problems attendant thereto.

It is generally agreed, however, that it will still take years before adequate numbers of Indian journeyman foresters, engineers, administrative managers and specialists, appraisers, etc., are available to the Bureau; and that in the meantime a reasonable balance between trainees and journeymen must prevail if the work is to get done. In many cases this means hiring without delay whatever journeymen are available. The reverse situation has often been termed the greatest disservice to the Indians who are employed: Placing them in trainee situations with certain performance failure built into the situation because the job demands exceed capability and the needed training time and resources are not available.

Time frame for implementation. The appropriate consultation with the field on the specific details and language of the policy statement/guidelines can be accomplished during Quarter 1 of FY 1977, so that the issuance is available no later than January 1, 1977.

Responsible official: Chief Personnel Officer.

6. Obtain legislative modifications in Indian preference.

The manner in which the extension of Indian preference was confirmed in 1974 resulted in very specific court decision language regarding the need to advertise positions whenever reassignments were being contemplated. If for reasons of increased program efficiency or other legitimate management objectives—or for the employee's own health and safety—management wishes to reassign a non-Indian employee from his present position into another one at the same grade level for which he qualifies, the second position must first be advertised and, if any Indian who meets the minimum qualification requirements applies, the Indian must be appointed if any action is taken at all. This result naturally defeats the whole purpose of the intended action since the objective was not to add another employee to the Bureau's rolls or to move the internal Indian candidate, but to use more effectively the one already employed.

Similarly, a non-Indian employee cannot switch positions with another employee in a similar position—even in the same office—without advertising his position—and both positions if the other one is also encumbered by a non-Indian. Both employees will be without jobs if qualified Indians apply for both positions and are appointed. Of course, management does not have to appoint the Indian applicants—and presumably would not—but the result is that the switch cannot take place. Simply the availability of the Indian candidates forecloses taking action. In some specific cases the proposed reassignment arises from the desire of an Indian tribal group to obtain the services of the non-Indian in its agency or school—and the same obstacles are present.

Often the reason for the desired reassignment action is that the position encumbered is no longer needed—in its present location or organizational unit or configuration; or that the incumbent's abilities and skills are more greatly needed in or suited to another position. Thus as a result of the 1974 court decision language, the Bureau finds itself with numerous cases of non-Indians who should be reassigned for various reasons but cannot be without either jeopardizing their having any position to occupy, or frustrating Indian candidates applying in response to advertised "vacancies" and then not being appointed.

The time and energy devoted throughout the Bureau to attempting to solve such cases are immense. Many shifts in organizational arrangements, position structures, and functional realignments that are needed for improved efficiency and effectiveness are stymied or compromised or not attempted at all because of these administrative monstrosities resulting from the specific language of the court decisions which now governs the internal application of Indian preference. The courts themselves referred to these anticipated administrative difficulties and declared that their resolution, if any, would have to be sought through changes in the law.

The Bureau and the Department must present to Congress a bill which revises the Indian preference language to remedy this situation. It could take the simple form of providing the Secretary of the Interior with the authority to allow the Bureau to reassign non-Indian employees without the need for advertising the receiving positions in certain specific reassignment situations meeting designated criteria (e.g. needed organizational rearrangement, changes in function, the employees' own health and safety, etc.)

Time frame for implementation. Following appropriate consultation with the Offices of the Solicitor and Assistant Secretary—Management and with tribal groups, the draft bill should be ready for coordination through OMB and submission to Congress for consideration during the first session (1977) of the new 95th Congress.

Responsible official: Commissioner of Indian Affairs—to give go-ahead signal; Director of Administration to ensure proper implementation procedures are followed.

7. *Further facilitate outplacement of non-Indians.*

For a variety of reasons, non-Indian employees in the Bureau have little faith in the Departmental Career Placement Assistance Program. These employees with years yet to work before they can contemplate retirement are either in occupational fields which are used hardly at all in other Interior bureaus (e.g. teachers and social workers) or at grade levels in common occupational fields (e.g. forester and engineer) where positions in other bureaus are traditionally filled from within. They joined the Bureau before 1972 with every indication that they would have the normal opportunities for career progression, and they were neither consulted concerning nor oriented to the application of Indian preference to internal personnel actions.

While it is properly debatable whether the Bureau should further facilitate the departure of employees whose skills often cannot be replaced for some time yet by qualified Indians at the same skills levels, in many cases these employees are so dismotivated by the total Bureau situation, as they perceive it, that their effectiveness as workers is seriously questioned. Speeding their departure by providing additional opportunities for their finding jobs elsewhere seems the lesser of two evils.

With the assistance of the Department and the Civil Service Commission, the Bureau should design:

A system for transmitting to other appropriate Federal agencies résumés on non-Indian employees interested in and available for short-term assignments in these agencies; and then making those who receive offers available for such assignments. Through this means their skills and performance capabilities would become known to the host agencies, and permanent employment opportunities would presumably be enhanced.

A formal retraining program for teachers in the Bureau who are willing to shift into the administative occupational fields.

Time frame for implementation. The necessary design and coordination work for these two programs could be accomplished during the first half of FY 1977. The cost and manpower implications should be spelled out in sufficient detail so that any budget requirements would be included for FY 1978.

Responsible official: Commissioner of Indian Affairs—to give go-ahead signal and general objectives definition; Director of Administration—to ensure program design, consultation, and budgetary implementation.

The seven action plan steps called for above address problems primarily in forecasting and meeting the Bureau's employment needs under the challenging mandate of Indian preference. They call for programs and actions which most persons agree should have been accomplished some years ago. The next three action steps relate more specifically to the internal placement function, i.e. rating and selecting employees for vacancies (generally involving a promotion).

8. Develop qualification standards/guidelines for major types of positions.

As pointed out above in the Personnel Management Situation section, there are few qualification standards or guidelines for the many types of positions in the Bureau which are either peculiar to the organization or require certain more specific qualifications within the minimum Civil Service standards for experience and education, arising from the nature and demands of the Bureau's work. The development of these standards/guidelines for such positions as Area Director, Superintendent, Administrative Manager, and various specialities in the Trust Responsibilities and Tribal Resources and Services areas is of fundamental importance to the successful implementation of many of the other action plan steps.

The work to be done consists of a series of interrelated tasks:

> It must first be made clear that managers and the Bureau not only *may* determine the qualifications needed for successful performance in Bureau jobs—in amplification of any minimum experience and education requirements laid down in X-118—but that they have the responsibility to do so. An explanatory and clarifying issuance from the Central Office regarding this responsibility and the general nature of qualification standards in the Federal government should receive wide distribution throughout the Bureau.
>
> A general qualification guideline applicable to *all* Bureau positions should be developed addressing the factors of personal acceptability and suitability; and, where applicable (e.g. managerial and other positions of responsibility), of knowledge and understanding of Indian problems and empathy with goals and aspirations of Indian people.
>
> —A general guideline applicable to all management positions should be developed around the specific qualifications needed for managerial work—those abilities, skills and personal characteristics not related to or necessarily developed in any functional specialty.
>
> —Individual qualification standards/guidelines should be developed for each type of position as mentioned above, built around the knowledges, abilities and skills needed, and providing examples of the types of typical experience needed (the "career pathways" previously mentioned) to qualify for the position.

The task lends itself to the project mode, and selected groups of managers should be used in each phase of this standards development operation so that the practical experience and knowledge existing in the Bureau is tapped. Each draft of general and specific standards/guidelines should receive wide distribution and time for discussion and comment before final issuance.

Time frame for implementation. A beginning has already been made with the Commissioner's memorandum of last June addressing the subject of qualification determination, standards for tribal operations positions, and the matter of personal acceptability. This project should be given the priority and resources required to ensure that all of the above components are ready for issuance in the form of a qualification standards handbook no later than Quarter 3 of fiscal year 1977.

Responsible official: Chief Personnel Officer.

9. Improve procedures for determining qualifications for specific vacancies.

As with the action plan step immediately above, action in this problem area also has both a conceptual/attitudinal and a procedural aspect. Again, it must be clarified to managers that *they* are responsible for defining the more specific knowledges, abilities and skills needed for satisfactory performance in each specific job; and to personnel staff members that these specific qualification factors must be developed with the managers/superivsors having the vacancies, be included in the vacancy announcements, and used as an essential part of the rating process.

The great controversy everywhere in the Bureau regarding personnel offices' "qualifying anybody" is due to the absence of this step. "Minimum qualifications" has been equated by all to purely the X-118 requirements regarding experience and education, instead of to these as amplified by the more specific requirements inherent in any individual job. The qualification standards/guidelines developed in (8) above will be of great benefit here, but do not take the place of this needed individual-by-individual vacancy qualification factor development.

In addition to instituting this Bureauwide procedure in determining qualifications needed for specific jobs and including them on vacancy announcements, the procedures used in determining whether applicants meet the qualification requirements and in ranking those who do should be subjected to a major study and improvement project. This is particularly relevant and essential in view of the generally perceived uselessness of "the record" for determining the quality of employees' performance, as mentioned above.

Through this improvement project, standard operating procedures should call for the greater involvement by operating officials in these processes, by the use of standing or ad hoc panels. The development and use of vouchers or qualification inquiry forms tailored to the types of positions being filled should be pursued. The use of a Bureau appraisal/evaluation board or committee should be considered for all positions where the Commissioner has appointing authority. In every way this project should refine and develop methods to ensure that no candidate finally listed on a certificate cannot be expected to perform the job satisfactorily.

Time frame for implementation. The qualification determination training workships needed to implement the conceptual/procedural changes relating to filling specific vacancies should occur during the first part of fiscal year 1977, and involve appropriate operating officials and personnel staff members in every part of the Bureau. The rating procedure study should be conducted within the same time frame, using the workshop sessions as part of the informational study base, and result in actual procedural changes effected during the last half of fiscal year 1977. The work lends itself to a cooperative effort between the placement and training functions, spearheaded by a project manager experienced and adept in working with groups of operating officials.

Responsible official: Chief Personnel Officer.

10. Reissue updated and more specific guidelines for tribal consultation on personnel selections.

The present Bureau guidelines in this area are dated May 2, 1972, under the signature of the previous Commissioner. While they read comprehensively and reasonably, the fact is that they have little relevance to or impact on actual conditions today. Most top managers in the Bureau have assumed their positions since this issuance; are not generally aware of its existence; and, even if aware, doubtful of its current applicability because of its date.

To correct the inconsistent manner with which consultation on personnel selections now takes place, and its too common pernicious effects described above, the Bureau must issue new guidelines and then provide for inplementing procedures which ensure adherence in practice to the stated principles. The current situation suggests that:

—consultation with tribal groups on selections be limited to the positions of Area Director, Agency Superintendent and School Superintendent. Any other specific positions proposed for inclusion would need the Commisioner's approval.

—the preference of tribal groups be expressed as *two* (or more) of the available candidates—never as just a single candidate.

—optionally, the tribal group be permitted to express its single preference among those two (or more) candidates identified by the Bureau as its preferences.

—it be made clear that the selection authority is the Bureau's; and that the preferences of the tribal group will be seriously considered in making this selection.

It will be a major challenge for the Bureau to "turn around" the current situation where "consultation" in effect often means that tribal groups demand (and obtain) the appointment of specific individuals, and the positions affected include every single one at an agency. Bureau inaction has permitted agency employment often to become an extension of tribal politics and factionalism, with all the disruptions and conflicts inherent in this situation reflected within the agency—instead of agency employment operations serving as a model of the merit and fitness principles of the Federal government for the tribal government to look to and emulate. This is especially ironic in view of the programs aided and cosponsored by the Bureau for training Indian tribal members in good personnel management principles and procedures so they can return to their tribal governments and start applying them.

Time frame for implementation. A new guideline issuance and consultation on it with Indian tribal groups should occur during the first half of fiscal year 1977. The attitude and behavior of many Bureau managers, now habituated to the current situation, will require major reorientation. Operations in conformance with the new guidelines should commence by the beginning of fiscal year 1978.

Responsible official: Commissioner of Indian Affairs.

11. Develop and operate an effective position management/classification program.

Here is an area where one of the greatest and most difficult attitude and behavior changes, for managers and personnel staffs, must take place. It undoubtedly is true that many Governmentwide classification standards do not serve as adequate bases for classifying various Bureau jobs, and that for some types of positions no appropriate standard exists at all for this purpose. The remedy, however, is not to "damn the system" and classify by "myths," but to develop those revisions and supplementary guides called for. The movement in this direction has already started.

The actions necessary to establish within the Bureau an operational system ensuring that positions are set up and costed out in an efficient and disciplined manner conforming to legal and regulatory requirements, are traditional and multiple. They include:

—defining and clarifying responsibilities. Managers must have the opportunity to learn the principles of the system and the reasons for them, including their own responsibilities for structuring and organizing positions in a "lean" and cost-conscious fashion; and the personnel function's responsibility for helping them do this by asking the "why's" when positions are established. Presently most managers feels "it's none of personnel's business" to question whether a position is needed, the type of position proposed, or the predetermined grade level. The goal to be reached is for managers to demand that the personnel perform this position management role at the earliest possible stage in the process, to ensure viable structures and correct pricing; and for personnel staffs to be proficient in providing this assistance.

—developing standards and guidelines. A major project to prepare those single-agency standards and classification guidelines needed in the Bureau must be undertaken. Through extensive studies, the proper occupational series for various jobs must be identified, and the standards for all series used by the Bureau examined to determine what Bureau guidelines or standards revisions are needed to provide effective classification tools understood and applied consistently Bureauwide.

—using helpful tools to increase efficiency of operations. The studies should also result in the Bureauwide use of various classification tools which speed up operations, such as standard position descriptions, checklist p.d.'s, and interpretive material addressing especially complex situations.

—operating a cyclic audit program. As a standard operating procedure, organizational units and functional entities must be reviewed on a regular schedule to identify changes in position structures and grades required by new circumstances and developments. The heavy load of daily case work will significantly decrease as a result of this "maintenance" operation.

—revising and developing Manual material. Bureau policies and procedures covering both position management/classification and wage administration (e.g. hazard pay) need to be updated or developed originally.

Time frame for implementation. Because of their great visibility, the improvements needed in position classification served as the "trigger" to the March 25 Agreement; and hence much of the improvement action which has occurred since then has been concentrated in this area. With the gradual correcting throughout the Bureau of the completely inadequate staffing situation in the classification function, more and more time should start becoming available for the programmatic needs listed above as distinguished from the time of necessity devoted to case work. Standards and cyclic audits will produce that consistency throughout the Bureau which is too frequently absent now and about which managers and employees justifiably complain.

It should be possible for the position management/classification function to establish and follow a work plan which ensures that the major standards and "helpful tools" development work is completed during FY 1977, together with a substantial start being made on needed Manual material. A cyclic audit program should be operational throughout the Bureau in FY 1978.

Responsible official: Chief Personnel Officer—to provide general program guidance; Chief Classification Officer—to develop work plan, ensure implementation, and provide Bureauwide coordination to improvement efforts.

12. Conduct management orientation and supervisory training in personnel management

Enough has been said above regarding the key role played by the conceptual and definitional aspects of the Bureau's personnel management problem situation to make it evident that various means must be found to cause changes here.

Most of the action plan steps in the general management area above are directly related to this problem, by serving as a foundation for management's acceptance and performance of its responsibility for the health and effectiveness of the Bureau as an organizational instrument. Without the Bureau's providing a focus for internal management, using effective tools in manpower allocation and utilization, accepting the values inherent in a program evaluation system, and—most crucially—communicating and operating in a truly problem-solving mode, the Bureau's personnel management problems will have little chance for being resolved. Most often, as seen, the solution demands close cooperation between managers and personnel staffs, joint projects and task forces, and mutual understanding of and respect for each others' contributions.

The type of orientation and training needed in the personnel management area grows out of the same need situation behind the management orientation called for in General Management step 5 above. In each major organizational part of the Bureau, managers should have the opportunity to sit down with their personnel staff and together discuss the basic principles and policies of Federal personnel management. Using Bureauwide training guides, the discussion leader or facilitator should be adept in identifying key differences in perceptions as they arise and in leading the discussion towards clarification and possible resolution of these differences. A similar training program for supervisors, using the same approach but including more specific Bureau policies and procedures, should also be developed and conducted Bureauwide.

The last thing needed at this time in the Bureau is an intensification of the "two hostile camps" atmosphere between managers/supervisors and the personnel offices. A program requiring one or the other party to sit and be lectured to and "told" will have this undesirable effect. While there is a legitimate need for some officials, such as Administrative Managers and assistants, to increase their knowledge of and proficiency in using the procedures and tools of personnel administration—and this type of training is called for in many places in the Bureau—the primary managerial/supervisory needs are of a different order and require different approaches. The program envisioned here would have as its chief objective and benefit the bringing together of the two camps, to start building the basis for that cooperation and coordination needed if personnel management problems are to be truly resolved rather than just cosmetically covered over.

Time frame for implementation. A model workshop guide needs to be developed by the Central Office in consultation with field managers and personnel offices. Including sections on the major concepts, principles and policies of Federal personnel management, the guide should point out typical conflict and controversy areas concerning roles, responsibilities, and interpretations. The development of the guide, using a project task force mode, and the identification and training of discussion leaders/facilitators can be accomplished during the first half of FY 1977, so that workshops, can commence Bureauwide by April 1977.

Responsible official: Chief Personnel Officer—to give go-ahead signal and general objectives definition; Chief Training Officer—to ensure implementation.

Personnel Function Management

In several ways it has been indicated above that the personnel function itself was not able to cope with all the new demands and challenges it faced. One of the main reasons was simple lack of sufficient staff, both in the headquarters personnel office and in many of the Area offices. While a significant turn-about has occurred in the past few months in this respect—particularly in the position management/classification function both in the Central Office and various Area offices, and in the staffing (employment) function in the Central Office—there remains a need to study Bureauwide the staffing of the function and to allocate manpower according to more consistent and rational guidelines. This endeavor should be one of the first actions of the instrumentality called for in General Management step 2 above.

With the appointment in July of a new permanent Chief Personnel Officer, the institutional focus exists for taking needed improvement actions in the function itself. The demands which the function must meet in fulfilling its role in implementing the improvement actions above are so heavy and numerous that only by managing itself effectively can the challenge be met. The following major steps are essential in this respect; and they are presented somewhat more sketchily than the others in this Plan since there is no indication that a more detailed exposition is needed to ensure implementation.

1. Redefine and clarify the role of a personnel office

A position document needs to be prepared spelling out the specific responsibilities of the personnel function, how they relate to the personnel management responsibilities of managers, and how they support and assist the effective management of the Bureau. This draft document could serve as a useful discussion tool for the managerial/supervisory orientation and training workshops called for in (12) above, and could be further refined through these discussions. Eventually the statement should be incorporated in the Manual.

The process of preparing this role clarification material will serve as a reorientation and redirection exercise for personnel office staff members themselves. For a variety of reasons, there has been little communication on these matters among Bureau personnel offices, and no common conception of roles and responsibilities is found in the Bureau. By using a task force with Central Office and mostly field participants, the drafting experience itself can start developing the needed interaction and interplay among personnel offices.

Time frame for implementation. The draft statement process should occur during the first half of FY 1977, so that it is available for use during the second half in the managerial/supervisory personnel management workshops. The final document should be issued at the end of the fiscal year.

Responsible official: Chief Personnel Officer.

2. Establish a program planning system.

The traditional tools of systematic planning must be used by the personnel function if the many programmatic improvement actions are to occur in a timely and efficient manner. The Division of Personnel Management has the job of establishing priorities among its objectives, allocating its man-power resources, and designating time frames within which actions will occur. And the specific objectives and tasks of each major specialty within the function must be coordinated and integrated into a total framework. Each servicing personnel office in the Bureau is faced with the same basic managerial tasks.

The "press of daily business," as in every office, tends to take precedence in the personnel function—"cases and crises and calls" will consume all available time unless a planning system is institutionalized and lived by. At this time, the programmatic actions needed are so numerous and complex that imagination and innovation in the use of resources—project teams, task forces, interfunctional groups, etc.—are essential within the structured planning framework. The responsibility for developing, updating and monitoring the planning system needs to be identified as a specific task and assigned to a designated individual.

Time frame for implementation. Immediately. The system should be ready for action plan use during Quarter 1 of fiscal year 1977.

Responsible official: Chief Personnel Officer.

3. Provide Bureauwide coordination within the function.

Again for a variety of reasons—some alluded to already—there has been a historic lack of communication and coordination among personnel offices in the Bureau. That which occurs is primarily in relation to specific cases or problem situations, and often based on the coincidence of personal friendship. Rarely is one office aware of what another is accomplishing in programmatic areas such as handbooks or training material available, use of classification aides, etc. Working essentially on the same types of problems and challenges, each office generally "reinvents the wheel."

The Central Office must provide the linking pin role. A comparatively simple system for communicating plans, needs, and accomplishments should be established by the Division of Personnel Management so that all personnel offices are kept informed of each other's major activities. Based on this communication system, common problems and needs will emerge permitting the more efficient utilization of resources, e.g. sharing a handbook or form Bureauwide. Further, topics will start being identified for mutual discussion and resolution through a planned series of workshops and meetings in the functional specialties.

Time frame for implementation. The design of the communication system should occur during Quarter 1 of fiscal year 1977, so that by January the vehicle for inter-personnel office sharing is in operation. The task lends itself to being accomplished by a small group of field personnel staff members working with a Central Office representative. A tentative schedule of workshops/conferences during FY 1977 should be established early in the year.

Responsible official: Chief Personnel Officer.

4. Improve operational methods.

Several Area personnel officers mentioned that one of the biggest needs, and with the biggest potential pay-off, is a Bureauwide study of the operational methods used in the offices. This has never been done, and the prospect is that more efficient and up-to-date ways of doing business can be identified through such a study, thus attacking the problem of justifiable management concern of timely action processing.

As a start, the Division of Personnel Management should obtain from each Area office a brief description of whatever newer methods and materials it is using or contemplating. Some Area offices have designed, or are planning to design, certain improved training, position classification, placement, etc., tools and aids which should make for more efficient operations. Similarly, others are beginning to put certain newer types of equipment into use to speed up processing. All of these ideas, and others, need to be considered for possible Bureauwide application.

As a significant part of this study, the subject of automating various part of the personnel function needs to be reassessed. While an updating operation of the current system is taking place, what is needed is a major review of what additional needs there are which the automated personnel system should and can address, such as the production of RIF registers, basic skills inventory data, etc.

To attain the needed momentum and consistent application of effort in this connection, the Division of Personnel Management should locate responsibility for automated personnel systems work in a specific position. This used to be so, but as it is now every personnel office and specialty finds itself dealing with the subject as an isolated entity, with no single person at the headquarters personnel function level responsible for identifying Bureauwide needs in all specialties and working on the total Bureauwide system.

Time frame for implementation. The initial steps towards the complete study can be taken immediately. The task lends itself to a project mode with a personnel specialist with a systems bent as a leader. Several specific Area personnel officers and/or staff members with particular interest in this field should serve as resource persons. The initial identification of needs and of possible new Bureauwide operational methods should be completed during the first half of fiscal year 1977. During the second half, the design and implementation of additional automated system components should be completed.

Responsible official: Chief Personnel Officer.

5. Conduct an evaluation program

There is no need for the Bureau to have to wait for years for a Civil Service or Departmental personnel management evaluation to take place to obtain a status report on itself. While the occasional "outside" review is valuable and appropriate, the organization itself must have the capability to evaluate and make appropriate changes and improvements.

With the imminent establishment of this responsibility as a specific function within the Division of Personnel Management, a schedule of reviews and assistance visits from the Central Office should be drawn up covering all aspects of personnel management and all parts of the Bureau. The capability of each Area office to conduct agency evaluations must be assessed and improved. Both organizational and functional priorities need to be identified, and reviews should be coordinated with and meshed into the major improvement actions under the Plan which are taking place at the time. Personnel staff members who are to participate in evaluations should have the opportunity to become acquainted with and trained in evaluation methodology. Appropriate use of outside Bureau resources, e.g. Departmental and Civil Service Commission, should be part of the total evaluation framework.

It should be mentioned here that organizationally, the evaluation function lends itself to be the "home" for the other four action steps mentioned above, i.e. clarification of the personnel function role, program planning, coordination/communication within the function, and operational improvement.

Time frame for implementation. The evaluation plan should be drawn up during Quarter 1 of fiscal year 1977, and start being implemented by January 1, 1977.

Responsible official: Chief Personnel Officer.

The 22 Action Plan Steps covered above are listed in tabular form in Appendix C, for ease of reference and overview regarding time frames and responsibilities.

AN ALTERNATIVE OPTION FOR FURTHER CONSIDERATION

The basis for the Action Plan above consists of the principles and policies of the Federal government's personnel management system as it exists today. This system has as its foundation certain values and key institutions of the "majority culture," e.g. equal pay for equal work, hiring on the basis of merit and fitness, position structuring for efficiency of operations, consistency of basic policies within an organization, etc.

It seems logical that if the Federal government's policy in programmatic matters is to ensure that Indian tribes have an opportunity to determine for themselves what their priority needs are and how they will be met through Bureau operations, a similar opportunity might exist for them to determine the type of human resource management they want used in these programmatic areas. In other words, if each Bureau agency and school is now consulting with tribal governments and advisory boards regarding the nature of natural resource, community service, education, etc., programs to be funded and conducted at the reservation or school, it would make sense to let the same tribal governments and school boards have a determining voice in the management of the persons conducting the programs.

The alternative for further consideration, then, is to give tribal groups the opportunity to establish their own version of a personnel management system for Bureau operations. Excepted from the various laws, rules and regulations of the "majority culture" pertaining to personnel management, each tribe which wished to do so would design the type of operation that best fitted its concepts of position structure, compensation, employment practices, etc. Since there is some variation in basic values from tribe to tribe, this alternative recognizes the potential inappropriateness of trying to have one consistent policy or practice throughout the Bureau. If it is true that the Bureau in effect deals with a large number of entities comparable to local governments, scattered throughout the country, why attempt to force conformity when diversity is the rule in actual local government matters in the United States?

Some tribes may choose to remain with the Federal government's personnel management system—which would be their choice. Others might want to use several of its features, but not all. For example, the basis for qualifications to be met for Bureau positions in some agencies might well be entirely different from those in the "majority system" because they reflected a tribe's sense of values for local language knowledge, various personal characteristics and cultural attitudes important to the tribe, and so on. Similarly, the relative value placed on various occupational services rendered might be distinctly different from that reflected in the position classification standards of the "majority system."

What is being proposed as an alternative is the possibility that the best way to solve the Bureau's personnel management problems is not to go about the task in the traditional manner, as described in the Action Plan, by improving the Bureau's management system to bring it into conformance with the principles and policies of the "majority system;" but to recognize Indian values and differences as a possible basis for constructing a system (or collection of systems) which abandons the quest for consistency and provides freedom for "local option." Each school—as has been said recently—may very well be the best organizational entity to set its own qualifications, pay rates, and management procedures for the personnel it needs. Each tribe may be the best judge of how to organize and staff and manage its agency's personnel dimension.

To have this opportunity now, Indian tribal governments must opt for contracting under Public Law 93-638, and then still abide by very specific "majority culture" terms under the contract. Would it be possible to permit one part of the Federal government—the Bureau of Indian Affairs—to operate under a personnel system which had built into it a wide variety of different methods and procedures conforming to and chosen by the various groups of constituents it serves? If the Federal government is serious about giving Indians real choice, why not also the choice of personnel management systems? The manner in which Indian preference is applied, the variety of qualifications factors and their relative weight, the elements important to evaluating performance—all of these personnel questions, and still others, could be made the subject of self-determination by each tribe.

Many persons will probably object that pursuing this alternative in effect would destroy the Bureau as an organization as it has been known. But that has already to a great extent occurred. The Bureau has been buffeted by extremely powerful forces of change and at present has neither evolved into a new, effective instrument nor maintained its traditional management style. The situation described in the pages above adds up to an organization "in the middle," conforming to neither the principles of effective management of the "majority system" nor those of an effective different orientation.

The steps described in the Action Plan are essential to attain effective human resource management as understood in the Federal government. The alternative here raised is the possibility of constructing an entirely different system, as determined by Indian people, but still part of the Federal government. The further consideration needed of this option must answer the question whether the Federal government has the breadth of view and spirit of adventuresomeness within it to give Indian people the opportunity to determine what they would decide upon as their system of Federal personnel management; and the flexibility and risk-taking ability to implement the result.

Appendix A

U.S. Department of the Interior,
Washington, D.C., March 25, 1976.

Memorandum:
To: Commissioner of Indian Affairs
From: Assistant Secretary—Management
Subject: Improvement of Personnel Management within BIA

Attached is a copy of your Action Plan for Improvement of Personnel Management within BIA. I have concurred as you requested.

I am happy that we were able to mutually agree on a course of action thereby avoiding internal conflict and quickly moving to bring about the necessary improvements within BIA.

In light of this agreement, you may consider my letter to you dated March 2 entitled, "Action Plan to Improve Position Classification Program in the Bureau of Indian Affairs" to be rescinded.

You may be assured that we will move expeditiously to assist you in this effort as required by the departmental commitments reflected in this action plan. In this regard, I am appointing John McKune, Director, Office of Organization and Personnel Management, to be my representative on the BIA Personnel Management Task Group (Item 6).

Lastly, it is my understanding that you have selected Paul Lorentzen as the Project Manager. Further, that he will report for duty effective April 5 and will be funded effective that date by BIA. Would you please have the appropriate people contact Dick Hite to implement the necessary fiscal and personnel actions.

It is important that we begin immediately to find a suitable candidate for the Acting Personnel Officer job. By copy of this memorandum, I am asking John McKune to contact you so that a selection may be made as soon as possible.

James T. Clarke.

Attachment.

Action Proposal for Improvement of Personnel Management, Bureau of Indian Affairs

General Objective: Through joint efforts of BIA and Department personnel specialists and managers, develop and implement an action program to correct and improve specifically identified problems and deficiencies in BIA personnel management at all organizational levels.

BIA Initiatives/Commitments

1. The Commissioner will issue immediately a modification of his delegation of authority for position classification to accomplish the following:

A. Remove classification authority from Area Directors.

B. Delegate classification authority to Chief Personnel Officer, Washington; Chief of Classification, Washington; Chief of Personnel in each Area Office.

C. Temporary withdrawal to the BIA Central Office effective April 4, 1976 of final classification approval authority from all Areas for the following position series: (1) Jobs classified in the GS-301 series—all grades. (2) GS-1700 group positions at the GS-11 level and above. (3) GS-802 Series, Engineering Technician, GS-7 and above. (4) All professional engineering positions, GS-11 and above.

2. Intensify its efforts to recruit and appoint a Chief of Classification, Washington.

3. Add eight permanent positions to the Washington Classification Branch. A. Seven experienced classifiers, GS 12/13 level. B. One clerk typist.

4. Undertake intensive recruitment effort to fill new positions in Classification Branch.

5. Immediately employ a Project Manager to coordinate and direct the efforts of BIA and the Department to correct specifically identified problems and deficiencies in BIA personnel management.

6. The Commissioner will appoint three high level BIA officials to serve with a representative appointed by the Assistant Secretary—Management to serve as a BIA Personnel Management Task Group with authority and responsibility for the following:

A. Identify specific problems and deficiencies to be addressed under the General Objective.

B. Review and approve Project Managers detailed "Action Plan".

C. Meet periodically (biweekly or monthly) with the Project Manager to review progress under the "Action Plan".

D. Make final recommendations to the Commissioner and Assistant Secretary—Management on specific policy initiatives resulting from the "Project".

E. Make monthly reports to the Commissioner and Assistant Secretary—Management on project "Results" and "Problems" requiring their action.

7. Recruit qualified Chief of Personnel, Washington.

8. Change the organizational placement of the Personnel Division to provide for the Chief of this Division to report directly to the Director, Office of Administration.

9. Establish a Personnel Management Evaluation Unit within the Washington Personnel Division and provide the following permanent staffing: A. Four professional Management Specialists, GS 12/13, Chief GS-14. B. One clerk stenographer.

Departmental Initiatives/Commitments

1. Assist BIA in the immediate employment of a highly qualified Project Manager.

2. Initially assign four highly qualified Classifiers, with three additional to be made available if needed, to work with BIA under the direction of the Personnel Officer for ninety day period. Assignments would phase out as new BIA Classifiers are recruited and trained.

3. Assist BIA in recruitment of the Chief Personnel Officer and Classification staff.

4. Provide positive interaction on behalf of BIA with CSC.

5. Appoint one high level official to serve on the BIA Personnel Management Task Group (described in item 6 under BIA Initiatives/Commitments).

6. Assist BIA in identifying and designating by March 31, 1976 an Acting Personnel Officer to serve from mid-April until a new Personnel Officer is appointed.

7. Assist in the establishment of approval requirements and benchmark classification guidelines for specified occupational series and grade levels.

8. The Department will designate BIA as the initial Bureau to implement the new CSC factor ranking classification system and will assist the Bureau with the training and implementation of the new system.

9. The Department will develop standards of adequacy in the classification program in order to measure progress and effectiveness of the program.

APPENDIX B

Memorandum:
To: All Area Directors, Central Office Directors
From: Commissioner of Indian Affairs
Subject: Project Manager, Improvement of Personnel Management

Paul Lorentzen has been designated by me as the Project Manager referred to in the Action Proposal for Improvement of Personnel Management, Bureau of Indian Affairs, which was jointly agreed upon by the Assistant Secretary—Management and me, and was transmitted to Area Directors separately last week. (Copies for Central Office Directors are attached).

The Project Manager's responsibility is to coordinate and direct the efforts of BIA and the Department to correct specifically identified problems and deficiencies in BIA personnel management. Working full time on the Project, he will integrate both Departmental and Bureau plans into one "Action Plan." Further, he will ensure that all activities in the "Action Plan" are on schedule; and will assist in assessing the ability and effectiveness of each personnel office to assume its full personnel management responsibilities.

The scope of the Project includes all aspects of personnel management and management's direction of human resources, at all organization levels in BIA. Its objective is to correct and improve specifically identified problems and deficiencies. While the first priority problem being addressed is position classification, the "Action Plan" will cover all areas identified as needing improvement.

The Project Manager will work closely with all BIA officials concerned including the Bureau Personnel Officer and his staff, the Bureau's top management staff, Area Directors and their personnel officers. While having no supervisory responsibilities, Mr. Lorentzen will ensure that all personnel management improvement actions needed, proposed, and developed in BIA are coordinated into the "Action Plan," together with similar Departmental efforts. The Project Manager's initial detailed "Action Plan" its various evolutions as the Project proceeds, and progress under it will be reviewed periodically by the BIA Personnel Management Task Group referred to in the above-mentioned agreement.

Your cooperation and support will be needed by the Project Manager, who will be fully accessible to you and will be communicating with you and members of your staffs. Mr. Lorentzen is temporarily located in Room 122, Interior South Building, and may be reached on ext. 6010 or 39287.

I shall be giving my personal attention to the Project and the reports of progress under the "Action Plan."

MORRIS THOMPSON.

Enclosure.

APPENDIX C

ACTION PLAN STEPS

Number	Action	Time frame (fiscal years)	Responsible official
G-1	Establish an effective institutional focus for internal management.	1st half 1977	Commissioner with O.S.
G-2	Establish and operate an analytical program in the organizational, manpower allocation/utilization, and work methods areas.	do	Commissioner.
G-3	Design and conduct a program evaluation operation.	During 1977	Do.
G-4	Develop a communication/team work management style.	do	Do.
G-5	Institute a management development program	1st half 1977	Commissioner and Director of Administration.
HR-1	Forecast the Bureau's manpower needs	Quarter 2, 1977	Director of Administration and Chief P.O.
HR-2	Institute a positive recruitment system	1st half 1977	Do.
HR-3	Develop and operate an Indian intake-and-development program.	During 1977, for quarter 1, 1978, class.	Commissioner and Director of Administration.
HR-4	Take steps to grow Indian candidates for technical/specialist positions.	During 1977	Do.
HR-5	Issue guidelines on the application of Indian preference.	Quarter 1, 1977	Chief P.O.
HR-6	Obtain legislative modifications in Indian preference.	During 1977	Commissioner and Director of Administration.
HR-7	Further facilitate outplacement of non-Indians	1st half 1977	Do.
HR-8	Develop qualification standards/guidelines for major types of positions.	Quarter 3, 1977	Chief P.O.
HR-9	Improve procedures for determining qualifications for specific vacancies.	During 1977	Do.
HR-10	Reissue updated and more specific guidelines for tribal consultation on personnel selections.	do	Commissioner.
HR-11	Develop and operate an effective position management classification program.	do	Chief P.O.
HR-12	Conduct management orientation and supervisory training in personnel management.	Quarter 3, 1977	Do.
PF-1	Redefine and clarify the role of a personnel office	1st half 1977	Do.
PF-2	Establish a program planning system	Quarter 1, 1977	Do.
PF-3	Provide Bureauwide coordination within the function.	do	Do.
PF-4	Improve operational methods	During 1977	Do.
PF-5	Conduct an evaluation program	Quarter 1, 1977	Do.

BUREAU OF INDIAN AFFAIRS', ACTION PLAN FOR PERSONNEL MANAGEMENT IMPROVEMENT

Memorandum:

To: All Central Office and Area Directors

From: Commissioner of Indian Affairs

Subject: Bureau of Indian Affairs' Action Plan for Personnel Management Improvement

Attached are copies of the subject Action Plan, which I have approved for immediate implementation.

The plan was developed through a joint effort involving all of you and your representatives. It is to your credit that you recognized the need for commencing these improvement actions, and are now committing specific time and manpower resources to carrying out the actions.

Progress under the Action Plan will be reported monthly, and review of its status and effectiveness is expected to be a regular part of the agenda of each Director's meeting in the future.

Please ensure that your program management and personnel staff officials become well aware of this Bureauwide improvement initiative, and are thoroughly acquainted with their roles and responsibilities within it.

BEN REIFEL.

Attachment.

Memorandum:

To: Commissioner of Indian Affairs

From: Project Manager

Subject: Bureau of Indian Affairs' Action Plan for Personnel Management Improvement

In transmitting this Bureau plan to you for approval, I want to take the opportunity to place it within a larger perspective which I consider of perhaps greater significance than the specifics of the document itself.

1. What has happened in the very process of developing the Action Plan represents the single most important change for personnel management in the Bureau: Management's ownership of the problem. While it may only be the beginning, the point is that beginning has been made and the corner has been turned: Bureau management has confronted, discussed, and developed a plan for starting to solve many long-standing personnel management problems. This is the necessary starting point for building a new and more useful conception of the roles and responsibilities for managing the Bureau's human resources.

All other improvement steps depend upon the continuation of this mode of responsibility acceptance and problem ownership by management.

2. The Action Plan development process has also clearly indicated the close inter-relationship between personnel management and general (internal) management of the Bureau. While we now are embarking upon a constellation of actions which in total address the personnel management issues and recommendations of the "Management Study" submitted to (and apparently being adopted by) the American Indian Policy Review Commission—and which, I believe, constitute a more complete and realistic improvement thrust than the Study's—similar planned initiatives are greatly needed in related areas of program evaluation, manpower/staffing standards and allocation, organizational structure issues, improved work methods, and communications.

As the last section of the Action Plan indicates, these management needs have been discussed to a degree, but the impetus for their full treatment and resolution through specific planned action must come from top management. The timing for addressing them now is right. A concerted effort made now can result in similar detailed action plans for presentation in the next few months.

3. The continuation of the personal management improvement effort, and the undertaking of similarly needed efforts in any other areas of general management, will continue to be open to a degree of uncertainty, doubt and skepticism due to the absence within the Bureau of an institutional focus for internal management. A line, alter ego, career Deputy/Associate Commissioner position must be established and filled so that the direction of the Bureau—as an organization—receives that systematic and continuous leadership needed to ensure that BIA truly constitutes an effective and efficient instrument for accomplishing program missions and objectives, and not an institution wasting time and resources in less-than-effective management of itself.

4. As mentioned, this Action Plan may serve as an "answer" to any questions concerning what the Bureau is doing about the personnel management part of the "Management Study." It also constitutes the major part of a needed Bureau response to Civil Service Commission and Departmental concerns expressed in evaluation reports and elsewhere. Both the Commission and the Department's Office of Personnel Management are being asked to play significant "participant" roles in helping to implement various steps, and their continued assistance and guidance should and will be sought.

As many of the Bureau managers expressed themselves in Phoenix earlier this month, "We've talked and discussed enough—Let's start doing." I totally agree. There has been more than enough writing and planning and verbalizing; now it is time to act. The ultimate victim of inaction and unfaced problems in personnel management are the Indian people whom the Bureau is to serve. They have waited long enough for us to move forward.

It has been a privilege to work with the Bureau in developing the Action Plan. It represents an even larger challenge to be asked to assist in making it a reality.

PAUL LORENTZEN.

BUREAU OF INDIAN AFFAIRS' ACTION PLAN FOR PERSONNEL MANAGEMENT IMPROVEMENT

OBJECTIVE AND SCOPE OF PLAN

This plan addresses many long-standing problems of human resource management in the Bureau of Indian Affairs. Its objective is to develop and change various concepts, policies, programs and procedures so that personnel management in the Bureau becomes a primary contributor toward program accomplishment rather than constituting a problem in itself.

The roles and responsibilities of both management and the personnel function are addressed, as are the programmatic and operating tasks within that function. The plan does not presume to cover every conceivable aspect or problem area. Rather, it concentrates on those personnel management actions considered of fundamental significance at this time so that the Bureau thereby will be provided with a base for a fully acceptable program in all respects.

BACKGROUND TO THE NEED FOR IMPROVEMENT

During fiscal year 1976, the necessity for a major improvement effort in personnel management in the Bureau was spotlighted by a number of evaluations made by the Civil Service Commission, the Department's Office of Personnel Management, and the Bureau itself. The March 25, 1976, Agreement between the Commissioner and the Assistant Secretary for Management detailed many specific initiatives and commitments for both the Bureau and the Department, primarily in the areas of position classification as well as the staffing and organizational placement of the Division of Personnel Management. A project manager was called for and designated, "to coordinate and direct" the improvement efforts through the development and implementation of an Action Plan.

The steps outlined in the March 25 Agreement have been taken, with significant and continuing effects on the quality of position classification and the capability of the Division of Personnel Management. The recommended Action Plan submitted by the Project Manager on September 7, 1976, analyzed the effects on personnel management in the Bureau of the dramatic events in Indian affairs of the past 8–10 years, and emphasized the developments and improvements needed in the:

Leadership role in the Bureau for general (internal) management.

Evaluation and communication functions in the Bureau.

Conception of personnel management by managers and personnel staffs.

Orientation and development of managers and supervisors.

Management and operation of the personnel function itself.

Specific personnel management areas of Policy development and issuance; Manpower planning; Recruitment; Indian intake-and-development; Qualification standards and determinations; Career development; Position management/classification.

METHOD OF DEVELOPMENT

The primary basis for the Project Manager's recommended Action Plan of September 7 was an analysis of the 136 individual problem identification/solution

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discussions held with managers and personnel officials throughout the Bureau in June-August. Many important aspects of personnel management—such as performance evaluation, equal employment opportunity, labor-management relations, and employee services—were purposely not directly included in the recommended plan in order to (1) Concentrate on those problem areas which the discussions reflected as the most basic and pressing, and thus (2) Provide a foundation without which further meaningful development in these other areas was considered unrealistic.

During the following 3½ month period, management of the Bureau:

Distributed widely and reviewed the recommended Action Plan.

Committed itself to adopt a BIA Action Plan by December 31.

Held two 2-day Director's meetings (Denver, October 28–29; Phoenix, December 8–9) to discuss the plan, agree to its specific content, and adopt an "immediate priority" framework for implementation.

Based on extensive individual and group discussions within the Division of Personnel Management and on contacts with Area Directors, the specific no-later-than (NTL) dates and the leader/participant names appearing on the Action Plan Step pages were agreed upon.

STEPS TO BE ACCOMPLISHED

Accomplishment of the specific actions included in this plan will result in the following initial improvements:

A. *Personnel Function (PF 1–5)*

1. Establishing a work objectives/work planning system within the Division of Personnel Management featuring communication and coordination across Branch lines, periodic review of progress being made toward meeting objectives, and continuing expansion and updating of the work plans.
2. Developing more meaningful statements of the role of each Branch and of the personnel function as a whole, constituting a part of the needed conceptual change regarding personnel management in the Bureau.
3. Providing the mechanism for Bureauwide coordination within the personnel function through sharing of work plans, the "lead role" concept, and periodic meetings of Bureauwide problem topics—thus avoiding wasteful duplication of effort and establishing a meaningful team mode for problem solving.
4. Improving personnel operations by providing immediate assistance to the Central Office and Albuquerque Field servicing operations, conducting technical assistance visits to selected Area personnel offices, and initiating a schedule of studies to improve operational methods and techniques Bureauwide.
5. Establishing a planned evaluation program within the function.

B. *Staffing and Manpower (HR 1–5, 8–10)*

1. Obtaining the resources needed to produce a set of numerical estimates of Bureau manpower needs for immediate use in developing recruitment and staffing plans, and to install a forecasting system providing periodic manpower information to management for action purposes.
2. Obtaining the resources needed to develop a positive recruitment system for the Bureau including a centralized inventory of Indian skills nationwide, and a centralized listing of Indian Affairs jobs available.
3. Developing the budget and ceiling justifications for an Indian intake-and-development program in the Bureau; as well as the application requirements, publicity means, screening procedures, and selection methods.
4. Establishing a task force to develop a work plan for growing more Indian candidates for technical/specialist positions (e.g. engineers, foresters, etc.)
5. Issuing policy guidelines on the application of Indian preferences in relation to restructuring and readvertizing positions.
6. Issuing appropriate qualification standards material for six major types of positions including Area Director and Superintendent.
7. Issuing policy guidelines regarding the use of general acceptability considerations and selective placement factors in determining eligibility and qualifications for specific vacancies.
8. Conducting training sessions Bureauwide in the use of Handbook X-118 for making qualification determinations.
9. Developing a work plan to improve the use of promotion panels, assessment forms and ranking procedures.

10. Reissuing updated policy guidelines for tribal consultation on personnel selections.

C. *Training and development* (*HR 12 and G 5*)

1. Developing and conducting role clarification and problem-solving communication workshops on personnel management, for managers/supervisors and personnel staffs.

2. Obtaining the resources needed to develop an orientation course for managers to general management principles, Federal government management policies, Bureau policies and programs, and Indian tribal government and culture; and conducting sessions Bureauwide.

3. Obtaining the resources needed to develop career guidelines/pathways for major types of management positions.

D. *Position management and classification* (*HR 11A–D*)

1. Issuing policy letter on coordinated budget/management analysis/personnel procedures to be followed Bureauwide regarding proposed organizational changes and new positions/upgradings.

2. Issuing revised Manual chapter on position management and classification policies.

3. Preparing work plan for developing several manpower/staffing standards.

4. Issuing policy guidelines on coordinated roles of budget and personnel functions in employment ceiling operations.

5. Conducting supervisory/managerial training in position management and the Factor Evaluation System.

6. Providing continuing assistance in position management/classification to personnel offices.

7. Conducting a Bureauwide position management/classification conference.

8. Issuing position classification guidelines for eight major types of positions including Superintendent and Tribal Operations Officer.

9. Preparing work plan for designing a career system for law enforcement positions.

10. Issuing policy statement on construction rates for Wage Grade positions.

COMMITMENT OF RESOURCES

The manpower resources directly committed to implementing this plan include a significant part of the total capability available in the Division of Personnel Management, participation in four specific tasks by selected individuals in Area offices, the use on a temporary project/product basis of outside-BIA resources for four tasks, and the continued assignment of the Project Manager as both coordinator/director and specified task performer.

The no-later-than (NTL) dates listed on the Action Plan Step pages are the most realistic ones possible at this time. As already indicated, the Action Plan in no way covers all problems in personnel management nor represents the total work performed in the function. The realities of the daily "press of business" and new "priority" demands have been taken into account as far as possible in committing resources and setting deadlines in the plan. A system of monthly progress review/plan update meetings will be used to provide management with status reports and make appropriate plan revisions.

ADDITIONAL ISSUES CONSIDERED

During the review period of the September 7 recommended Action Plan, the additional steps included in the plan were discussed and settled as follows:

A work group has been formed to prepare two issue papers for the Commissioner covering the topics addressed in HR 6 and 7, i.e. reassignment of non-Indians in relation to Indian preference, and outplacement/legislative assistance for non-Indians. Depending upon the decisions on these issues, one or both may become future parts of the Action Plan.

The establishment of a career, line Deputy/Associate Commissioner (Management) position, to provide an effective institutional focus for internal management, was agreed upon. The next step is for Bureau top management to submit a specific written package/proposal to the Departmental Executive Manpower Resources Board.

It was agreed that the development of standards for evaluating operating program effectiveness and to serve as the basis for an ongoing program evaluation activity in the Bureau was a responsibility of the Commissioner's Office, which should be carried out. Central Office and Area Directors have been requested to submit preliminary information and suggestions for use in commencing work in this area.

It was agreed that the providing of leadership in organizational structure matters, the development of manpower/staffing standards, and the systematic study and improvement of work methods are responsibilities of the Central Office, which should be carried out. This Action Plan includes the issuance of a policy letter on procedures to be followed in organizational matters, and the preparation of a work plan for the development of several "pilot" manpower/staffing standards based on preliminary information and suggestions requested from Central Office and Area Directors. Similar information and suggestions have been solicited regarding needed work method studies.

It was agreed that to a very large extent improvements in the Bureau's communication management style will depend upon the behavior of and example set by the Commissioner. Many methods and techniques can be used to develop a teamwork atmosphere of cooperation and coordination.

Any of the above issues, depending upon future developments and decisions, may become parts of an expanded Action Plan.

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Participant resources
	Planned	Actual		
PF-1 AND PF-2: RESTATE THE ROLE OF THE PERSONNEL FUNCTION, AND ESTABLISH A PLANNING/WORK OBJECTIVES SYSTEM WITHIN IT				
Marc Herschler, Chief, Branch of Personnel Management Evaluation				
1. Schedule, select site of, and prepare agenda for 1st personnel division 2-3 day offsite communication meeting for problem identification, interfunctional coordination, and work objectives building.	Jan. 14, 1977		Marc Herschler	Doug Rabel, Paul Lorentzen.
2. Hold personnel division offsite meeting with Director of Administration, Chief Personnel Officer, Assistant Chief, and 7 branch chiefs in attendance—resulting in list of operational problems and possible ways of solving them.	Jan. 24-26		Paul Lorentzen (facilitator).	
3. Prepare individual branch work objectives and work plans including resources needed (monetary, travel, space, etc.).	Jan. 31, 1977		Marc Herschler	Each branch chief.
4. Prepare individual branch revised statements of function and revised statement of function for division.	Feb. 28, 1977		do	Do.
5. Develop the ongoing personnel division planning/work objectives system providing for periodic communication meetings, measurement of program progress, appropriate revision of work objectives and plans, etc.	Mar. 31, 1977		do	
PF-3: PROVIDE BUREAUWIDE COORDINATION WITHIN PERSONNEL FUNCTION				
Marc Herschler, Chief, Branch of Personnel Management Evaluation				
1. Establish and implement concept of "lead roles" in specific areas of the personnel function, by area office, based on offices' interests and concerns (see PF-4) and to avoid duplication of efforts.	Mar. 31, 1977		do	Other personnel division branch chiefs.
2. Establish a communication network within personnel function by (a) sharing all personnel division work plans with area personnel offices; (b) through lead role concept, informing area offices of major developments throughout Bureau in all functional areas; and (c) using normal telephone contacts for keeping abreast of problem identification and resolution.	Apr. 30, 1977		do	Do.
3. Prepare for and conduct periodic personnel officer meetings during 1977 on specific functional topics (with those functional chiefs attending), using lead role concept to develop agendas.	Apr. 30, Aug. 31, Dec. 31, 1977.		do	Do.
PF-4: IMPROVE OPERATIONS AND WORK METHODS WITHIN PERSONNEL FUNCTION				
Marc Herschler, Chief, Branch of Personnel Management Evaluation				
1. Assist branch of personnel services, C.O., in (a) responding to and taking actions on the CSC evaluation report; (b) identifying work areas/methods in need of improvement, and developing a plan for accomplishing same.	Jan. 15, 1977 Jan. 31, 1977		do do	Chief, branch of personnel services. Do.
2. Obtain list from area offices of (a) improved operational methods/techniques each is using, and (b) operational problem/concern areas in need of improvement.	do		do	
3. Develop work plan for conducting improved operational methods/techniques studies and instituting such improvements bureauwide.	Feb. 28, 1977, and ongoing.		do	Branch of PME staff members.

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Participant resources
	Planned	Actual		
PF–4: IMPROVE OPERATIONS AND WORK METHODS WITHIN PERSONNEL FUNCTION				
4. Conduct technical assistance visits to Albuquerque field personnel office and Muskogee area personnel office (see HR-11C).	Apr. 30, 1977		Marc Herschler	Other division personnel as assigned.
5. Coordinate timing of assistance by other branches to area offices (e.g. continuing classification and staffing/manpower visits to Aberdeen—see HR-11C).		Ongoing	do	Other personnel division branch chiefs.
PF-5: CONDUCT A PERSONNEL MANAGEMENT EVALUATION PROGRAM				
Marc Herschler, Chief, Branch of Personnel Management Evaluation				
1. Develop schedule of 3–4 PME's to be conducted during 1977—considering possibility that some may become more oriented towards assistance visits than strictly evaluations.	Jan. 31, 1977		do	Do.
2. Conduct PME's	Ongoing		do	Branch of PME staff members and other division members as assigned. Area personnel office, staff as assigned.
HR-1: DEVELOP AND START OPERATING A MANPOWER FORECASTING SYSTEM				
Pattie L. Fulgham, Chief, Branch of Staffing and Manpower				
1. Recruit and hire from another agency (on 1-yr reimbursable detail) a projectleader to (a) produce immediate ballpark numerical estimates for Indian intake-and-development program, and (b) design and install ongoing system.	Jan. 31, 1977		Pattie Fulgham	Louis D. Bayhylle, Jr., Paul Lorentzen, APM, CSC.
2. Obtain information on anticipated program trends/levels the next 2-3 yr	Feb. 28, 1977		Project leader	Financial management specialist, designated area and C.O. managers.
3. Determine specific occupational fields/types of positions significant	Mar. 15, 1977		do	
4. Obtain available statistics from computer regarding past projected attrition rates in these occupational fields.	Mar. 31, 1977		do	Employee data and compensation personnel.
5. Produce ballpark numerical estimates of manpower needs by significant occupational fields	Apr. 30, 1977		do	
6. Design method for capturing periodic program information	June 30, 1977		do	To be determined later.
7. Revise/expand computer base/capability	Aug. 31, 1977		do	Do.
8. Install operational manpower forecasting system	Oct. 31, 1977		do	Do.
9. Monitor system performance	Dec. 31, 1977, and ongoing.		do	Do.
HR-2: DEVELOP AND START OPERATING A CENTRALIZED SKILLS INVENTORY/INDIAN AFFAIRS JOBS AVAILABLE SYSTEM INVOLVING PROACTIVE, OUTREACH RECRUITMENT				
Pattie L. Fulgham, Chief, Branch of Staffing and Manpower				
1. Recruit and hire from another agency (on 1-yr reimbursable detail) a project leader to develop (a) a Bureau positive recruitment system, (b) a centralized Indian Affairs jobs available listing, and (c) a centralized Indian skills inventory.	Jan. 31, 1977		Pattie Fulgham	Louis D. Bayhylle, Jr., Paul Lorentzen, APM, CSC.

2. Determine occupational fields to be concentrated upon	Feb. 28, 1977	Project leader	
3. Prepare specific work plans for (a), (b), and (c) above	Mar. 31, 1977	do	
4. Determine additional staff (numbers and kinds) needed to accomplish work plans, recruit and hire on reimbursable detail basis.	Apr. 30, 1977	do	

HR-3: DEVELOP AND OPERATE AN INDIAN INTAKE-AND-DEVELOPMENT PROGRAM

Pattie L. Fulgham, Chief, Branch of Staffing Manpower

1. Obtain from area offices complete inventory of Indian participants in present training/development programs by occupational field and grade level (including cooperative education, bridge to professions, field management development training, and management understudy programs).	Feb. 28, 1977	Paul Lorentzen	Employment development specifications.
2. Develop guidelines for improved bureauwide utilization and coordination of these programs during the interim (i.e., through October 1978).	Mar. 31, 1977	do	Mercedes Lewis and employment development specifications.
3. Based on numerical estimates of manpower needs in significant occupational fields (resulting from HR-1), determine estimated 1st-yr cost of Indian intake-and-development program for budget and ceiling justifications.	Apr. 30, 1977	do	Financial management specifications.
4. Develop basic requirements for program entrance	June 30, 1977	do	Mercedes Lewis.
5. Develop program publicity and contact network for locating candidates	Sept. 30, 1977	do	Project leader of HR-2.
6. Develop application, screening, and selection procedures	Dec. 30, 1977	do	Mercedes Lewis.
7. Develop work plan for bringing on board first intake class by October 1978	do	do	Mercedes Lewis and employment development specifications.

HR-4: TAKE STEPS TO GROW INDIAN CANDIDATES FOR TECHNICAL/SPECIALIST POSITIONS (I.E., ENGINEERS, FORESTERS, ETC.)

Pattie L. Fulgham, Chief, Branch of Staffing & Manpower

1. Establish field task force of managers, to meet for a week in central office in April, to develop a work plan together with the C.O. directorates concerned (administration, education, tribal resources, and trust responsibilities).	Apr. 31, 1977	Mercedes Lewis	Central office directorate representatives; field task force members; Richard Drapeaux, deputy A.D., Aberdeen; Dan Sahmaunt, education program administration; Anadarko Alonzo Spang, Chief, Indian Service, Billings; Charles Toyebo, community service officer, Sacramento; Robert Walker, financial officer, Albuquerque; Otto Karl Weaver, Chief, land operations, Navajo.

HR-5: ISSUE POLICY GUIDELINES ON APPLICATION OF INDIAN PREFERENCE (RESTRUCTURING AND READVERTISING POSITIONS)

Pattie L. Fulgham, Chief, Branch of Staffing and Manpower

1. Prepare and issue guidelines in the form of a spotlighted expansion and explanation of the "area of consideration" and "job redesign" paragraphs of 44 BIAM 335, Promotion and Internal Placement.	Feb. 1, 1977	Marlee Benecke	

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Participant resources
	Planned	Actual		
HR-8: DEVELOP QUALIFICATION STANDARDS/GUIDELINES FOR MAJOR TYPES OF POSITIONS				
Pattie Fulgham, Chief, Branch of Staffing and Manpower				
1. Determine whether X-118 qualification standards are suitable as is for the following Bureau positions:				
GS-1715: vocational development specialist	Jan. 31, 1977		Marlee Benecke	
GS-950: Tribal operations officer (coordinated timewise with classification's decision re series).	Feb. 28, 1977		Joyce Branch	
(If not in either case, develop appropriate qualification material in consultation with CSC.)				
2. Develop draft qualification standards for the following positions:				
GS-063: Policeman (excepted standard)	do		Dennis Renville, staffing spec., Aberdeen.	
GS-301: Area director (single-agency standard)	do		William Finale, area director, Sacramento	
GS-340: Superintendent (single-agency standard) (coordinated infowise with classification's guideline).	do		Doyce Waldrip, acting AD, Portland.	
GS-1101: Housing development officer (single-agency standard; coordinated timewise with classification's guideline).	do		Richard Slater, personnel officer, Albuquerque.	
3. Obtain comments on abovejdraft standards from appropriate central office program officials	Mar. 15, 1977		Joyce Branch	
4. Make informal contacts on drafts with Department and CSC	Mar. 31, 1977		do	
5. Send drafts to areas, unions and tribes for comment	do		do	
6. Receive comments back in central office	May 31, 1977		do	
7. Revise as necessary; send final standards to Department/CSC	June 15, 1977		do	
8. Obtain Department/CSC approval	July 15, 1977		do	
9. Solicit recommendations from areas for any additional qualification standards needed	July 31, 1977		do	
HR-9. IMPROVE PROCEDURES FOR DETERMINING ELIGIBILITY AND QUALIFICATIONS FOR SPECIFIC VACANCIES				
Pattie Fulgham, Chief, Branch of Staffing and Manpower				
1. Prepare and issue policy guidelines on general acceptability considerations and selective placement factors—in the form of a revision of the Qualification Determination of Applicants for Positions in BIA memo and an expansion of the Determining Basic Eligibility paragraph of 44 BIAM 335, Promotion and Internal Placement—to be used in announcing and filling vacancies.	Feb. 28, 1977		do	
2. Develop training program in how to use Handbook X-118 in making qualification determinations.	Mar. 31, 1977		do	
3. Identify and select 8-10 instructors (staffing specialists)	Apr. 30, 1977		Pattie Fulgham	
4. Train instructors by conducting a pilot session in central office	May 31, 1977		Joyce Branch	
5. Develop schedule of bureauwide training sessions and use of the instructors	do		do	
6. Monitor and evaluate several sessions	June 30, 1977		do	
7. Obtain recommendations from areas on revision/improvements needed in use of promotion panels, assessment forms and ranking procedures in 44 BIAM 335.	July 31, 1977		Marlee Benecke	
8. Develop work plan to accomplish above revisions/improvements			do	

HR-10: REISSUE UPDATED POLICY GUIDELINES FOR TRIBAL CONSULTATION ON PERSONNEL SELECTIONS

Pattis Fulgham, Chief, Branch of Staffing and Manpower

1. Draft guidelines statement	Feb. 15, 1977	Joyce Branch	
2. Have draft reviewed by central office management and revise/refine with the help of field task force.	Mar. 1, 1977	do	James Canan, AD, or, Anson Baker, superintendent, Billings; Emmett Cameron, administration officer, Minneapolis; Ed McCabe, superintendent, Navajo.
3. Send resulting draft guidelines to areas, unions, and tribes for comment	Mar. 15, 1977	do	
4. Receive comments back in central office	May 15, 1977	do	
5. Prepare and issue final guidelines	June 30, 1977	do	

HR-11A: ESTABLISH IMPROVED POLICIES AND PROCEDURES FOR POSITION MANAGEMENT AND ORGANIZATIONAL STRUCTURE

James DeFrance, Chief, Branch of Classification

1. Draft policy letter containing front-end submission and analysis procedures to be followed bureauwide on (a) proposed organizational changes and (b) proposed new position/upgrading—involving coordinated review by budget, management analysis and personnel functions; types of justification documents needed, etc.	Jan. 15, 1977	James DeFrance	
2. Obtain C.O. review and comments on draft	Jan. 31, 1977	do	
3. Obtain comments from area directors	Feb. 28, 1977	do	
4. Issue final policy letter, and start operating accordingly	Mar. 15, 1977	do	
5. Prepare and issue revised BIAM chapter covering position management and classification policies (e.g. use of evaluation statements, cyclic audit operations, etc.).	do	Gene Adams	

HR-11B: DEVELOP INITIAL MANPOWER/STAFFING STANDARDS, AND IMPROVED EMPLOYMENT CEILING OPERATIONAL PROCEDURES

James DeFrance, Chief, Branch of Classification

1. Review submissions from area offices re manpower/staffing standards needed (attachment 3 of Phoenix meeting report).	Jan. 31, 1977	Bill Furlong	M.R. & E.
2. Based thereon, prepare work plan for developing several pilot manpower/staffing standard projects, including the GS-200 field.	Feb. 28, 1977	do	M.R. & E.
3. Prepare and issue policy guidelines on coordination between budget and personnel functions in employment ceiling operations and on using the flexibilities of the system.	June 30, 1977	do	Financial management.

HR-11C: CONTINUE TO PROVIDE TECHNICAL ASSISTANCE IN POSITION CLASSIFICATION/MANAGEMENT TO THE FIELD

James DeFrance, Chief, Branch of Classification

1. Conduct model supervisory training for managers and supervisors in central office, in position management and factor evaluation system (FES); and make course content available to area offices.	Jan. 11, 1977	Gene Adams	Douglas Rabel.

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Participant resources
	Planned	Actual		
HR-11C: CONTINUE TO PROVIDE TECHNICAL ASSISTANCE IN POSITION CLASSIFICATION/ MANAGEMENT TO THE FIELD—Continued **James DeFrance, Chief, Branch of Classification—Continued**				
2. Provide continuing assistance to Aberdeen personnel office (every other month) (see PF-4)	Feb. 28, 1977 and ongoing.		Gene Adams	
3. Help selected area offices with position classification operations, e.g. Billings and Phoenix (see PF-4).	Mar. 31, 1977 and ongoing.			Branch staff members.
4. Participate in technical assistance visits to Albuquerque field personnel office and Muskogee area P.O. (see PF-4).	Apr. 30, 1977			Do.
5. Prepare for and conduct bureauwide position management/classification conference (review effectiveness of guidelines and procedures, facilitate interchange of ideas on position management operations in area offices, identify further work areas for policy and technical assistance, etc.) (see PF-3).	May 31, 1977		James DeFrance	Do.
HR-11D: CONDUCT AND COMPLETE VARIOUS POSITION CLASSIFICATION AND WAGE ADMINISTRATION STUDIES AND PROJECTS **James DeFrance, Chief, Branch of Classification**				
1. Vocational development specialist GS-1715: Issue position classification guideline firming up use of GS-1715 series and providing grade level/position management guidance.	Jan. 31, 1977		Bill Furlong	
2. Educational aids and technicians GS-1702: Issue position classification guideline providing grade level guidance for nonsupervisory positions, and standard p.d.'s.	Feb. 8, 1977		Frank DeKona and Gene Platt.	
3. Wage grade jobs: Review policies and procedures related to construction rates, and issue policy statement.	do		Wanda Byram	
4. Tribal operations officer GS-301/950: Coordinate with qualification standards study (HR-8) re use of GS-950 series, and issue position classification guidelines.	Feb. 28, Mar. 15, 1977.		Bill Furlong and Frank DeKona.	
5. Housing development officer GS-1101: Prepare rationale for use of GS-1101 series, and guidelines for classification by cross-referencing other standards—then coordinate with qualification standard project (HR-8) for July 15, 1977, issuance.	Mar. 15, July 15, 1977.		Gene Adams	
6. Road engineer GS-810: Continue study to determine if Bureau of Public Roads' classification guideline is applicable to BIA positions and, if so, issue same as Bureau guideline. (If not, develop schedule for guideline project, and conduct same).	Mar. 31, 1977		do	
7. Law enforcement positions: Prepare detailed work plan for designing a career system covering guards, policemen, detectives, and criminal investigators—including grade level distinctions and relationships with other law enforcement bodies (i.e. FBI, State, and tribal enforcement bodies).	do		do	
8. Social workers GS-185: Prepare and issue position classification guideline summarizing grade level distinctions.	do		Kurt Stende	
9. Teachers GS-1710: Prepare and issue restatement of classification guidelines re GS-9 journeyman level versus GS-11 nonsupervisory positions, including model p.d.'s.	Apr. 30, 1977		Bill Furlong and Gene Platt.	
10. Superintendent GS-340: Continue to prepare guideline for classifying positions:				
Send redraft, based on field comments, out to field	Mar. 31, 1977		Frank DeKona	Branch staff members.
Obtain field comments back in central office	May 15, 1977			
Issue final guideline	June 30, 1977			

HR-12: DEVELOP AND CONDUCT COMMUNICATION WORKSHOPS ON PERSONNEL MANAGEMENT

Douglas Rabel, Chief, Branch of Employee Development

1. Develop workshop format and prepare initial draft of workshop guide	Jan. 31, 1977	Doug Rabel	Dick Gubbins and Judy Zu[illegible]le, Irene Fischer, Paul Lorentzen
2. Refine format and guide with help of outside resource	Feb. 28, 1977	do	Training officer, Bureau of Reclamation.
3. Finalize format and guide with help of 3 area resource persons	Mar. 31, 1977	do	Don Ross, Billings; Ed Rondeau, Portland; C. L. Henson, Sacramento.
4. Identify and select 10 facilitators from within Bureau	do	do	Same as (1) above.
5. Train facilitators by conducting a pilot workshop	Apr. 30, 1977	Paul Lorentzen	Paul Vaniman, APM, as "critiquer."
6. Develop initial schedule of workshops and use of facilitators	do	Doug Rabel	10 trained facilitators.
7. Monitor and evaluate several workshops	May 31, 1977, and ongoing.	do	Branch staff members.

G-5A: DEVELOP AND START CONDUCTING MANAGEMENT ORIENTATION FOR MANAGERS

Douglas Rabel, Chief, Branch of Employee Development

1. Identify and select an outside resource person/organization to develop course format and content.	Jan. 31, 1977	do	Paul Lorentzen.
2. Effect contract with same	Feb. 28, 1977	do	Financial management.
3. Obtain product from same	May 31, 1977	do	Contractor.
4. Identify instructors and get them trained	June 30, 1977	do	Do.
5. Develop schedule of orientation sessions and use of instructors	do	do	Instructors.
6. Monitor and evaluate several sessions	July 31, 1977, and ongoing.	do	

G-5B: DEVELOP CAREER GUIDELINES/PATHWAYS FOR MAJOR TYPES OF MANAGEMENT POSITIONS

Pattie Fulgham, Chief, Branch of Staffing and Manpower

1. Recruit and hire from another agency (on reimbursable detail) a project leader. Work plan to include: Determining specific types of management positions (e.g. area director, superintendent, etc.) which will be dealt with; obtaining data on career pathways which present incumbents of these positions have followed; developing draft career guidelines/pathways; sending drafts to appropriate managers and obtaining comments; revising as necessary with help of manager task force and issue in final.	July 31, 1977	Pattie Fulgham	Louis Bayhylle, Paul Lorentzen, APM, CSC.

	HR-4	HR-8	HR-10	HR-12	G-5
Aberdeen	Richard Drapeaux.	Staffing spec.			
Albuquerque	Robert Walker	(Policemen)			Ron Toya.
Anadarko	Dan Sahmaunt				Herman Lewis.
Billings	Alonzo Spang		Anson Baker, superintendent.	Dan Ross	Bill Baby.
Muskogee			Frank Sapolik, tribal ops. officer.		Al Nordwall.
Navajo	Otto Karl Weaver		Ed McCabe superintendent.		
Minneapolis					
Juneau					
Phoenix		P.O. (Housing development office).			Curt Geiogamah.
Portland		Acting A.D. and superintendent Northern Idaho (superintendent).		Ed Rondeau	
Sacramento	Charles Toyebo	A.D. (area director).		C. L. Henson	

MEMORANDUM

To: Division of Personnel Management Branch Chiefs.
From: Project Manager.
Subject: Meeting tomorrow on Action Plan Step formats.

Here is your complete set of the subject formats, as worked up with your fine cooperation in our individual meetings during the past few days. As assembled they cover:

The PF steps concentrating on the personnel function itself.

The HR steps (1–5, 8–10) in the Staffing and Manpower area (HR 6–7 are being pursued separately from the Action Plan).

HR 11 (A–D) in the Classification area.

HR 12 and G 5 in the Employee Development area.

Please look them over so that at our 9:00 a.m. meeting in my room tomorrow we can:

Discuss and come to a mutual understanding of the PF activities which we are all part of

Highlight all other elements needing coordination between two (or more) Branches; some of the obvious ones have been cross-referenced, but there may be others we have missed.

Zero in on how the distribution among the Areas for Action Plan participation has come out—by tomorrow morning I'll have a chart on this for us all to look at. And then decide who will make which calls to what Areas next week, to check out availability.

Make any final changes/additions/deletions in the whole package; specifically, I'll bring up the matter of "G 5—Develop career guidelines/pathways for major types of management positions" which got lost in the shuffle!

PAUL LORENTZEN.

ACTION PLAN STEP PF-1 AND PF-2: RESTATE THE ROLE OF THE PERSONNEL FUNCTION AND ESTABLISH A PLANNING/WORK OBJECTIVES SYSTEM WITHIN IT

RESPONSIBLE OFFICIAL: MARC HERSCHLER, CHIEF, BRANCH OF PERSONNEL MANAGEMENT EVALUATION, DEC. 31, 1976

Elements	Time (NLT)		Leader	Participant resources
	Planned	Actual		
1. Schedule, select site of, and prepare agenda for 1st personnel division 2- to 3-day offsite communcation meeting for problem identification, interfunctional coordination, and work objectives building.	Jan. 7, 1977		Marc Herschler	Doug Rabel, Paul Lorentzen.

ACTION PLAN STEP PF-1 AND PF-2: RESTATE THE ROLE OF THE PERSONNEL FUNCTION AND ESTABLISH A PLANNING/WORK OBJECTIVES SYSTEM WITHIN IT—Continued

RESPONSIBLE OFFICIAL: MARC HERSCHLER, CHIEF, BRANCH OF PERSONNEL MANAGEMENT EVALUATION, DEC. 31, 1976

Elements	Time (NLT) Planned	Time (NLT) Actual	Leader	Participant resources
2. Hold personnel division offsite meeting with director of administration, chief personnel officer, assistant chief, and 7 branch chiefs in attendance—resulting in list of operational problems and possible ways of solving them.	Jan. 21, 1977		Paul Lorentzen (facilitator)	
3. Prepare individual branch work objectives and work plans including resources needed (monetary, travel, space, etc.)	Jan. 31, 1977		Marc Herschler	Each branch chief.
4. Prepare individual branch revised statements of function and revised statement of function for division.	Feb. 28, 1977		do	Do.
5. Develop the ongoing personnel division planning/work objectives system providing for periodic communication meetings, measurement of program progress, appropriate revision of work objectives and plans, etc.	Mar. 31, 1977		do	Do.

ACTION PLAN STEP PF-3: PROVIDE BUREAU-WIDE COORDINATION WITH PERSONNEL FUNCTION

RESPONSIBLE OFFICIAL: MARC HERSCHLER, CHIEF, BRANCH OF PERSONNEL MANAGEMENT EVALUATION, DEC. 31, 1976

1. Establish and implement concept of "lead roles" in specific areas of the personnel function, by area office, based on offices' interests and concerns (see PF4) and to avoid duplication of efforts.	Mar. 31, 1977		Marc Herschler	Other personnel division branch chiefs.
2. Establish a communication network within personnel function by (a) sharing all personnel division work plans with area personnel offices; (b) through "lead role" concept, informing area offices of major developments throughout Bureau in all functional areas; and (c) using normal telephone contacts for keeping abreast of problem identification and resolution.	Apr. 30, 1977		do	Do.
3. Prepare for and conduct periodic personnel officer meetings during 1977 on specific functional topics (with those functional chiefs attending), using "lead role" concept to develop agendas.	Apr. 30, 1977 Aug. 31, 1977 Dec. 31, 1977		do	Do.

ACTION PLAN STEP PF-4: IMPROVE OPERATIONS AND WORK METHODS WITHIN PERSONNEL FUNCTION

RESPONSIBLE OFFICIAL: MARC HERSCHLER, CHIEF, BRANCH OF PERSONNEL MANAGEMENT EVALUATION, DEC. 31, 1976

1. Assist branch of personnel services, CO, in (a) responding to and taking actions on the CSC evaluation report, and (b) identifying work areas/methods in need of improvement and developing a plan for accomplishing same.	Jan. 15, 1977 Jan. 31, 1977		Marc Herschler do	Chief, branch of personnel services. Do.
2. Obtain list from area offices of (a) improved operational methods/techniques each is using, and (b) operational problem/concern areas in need of improvement.	do	do	do	
3. Develop work plan for conducting improved operational methods/techniques studies and instituting such improvements Bureau-wide.	Feb. 28, 1977[1]		do	Branch of PME staff members.
4. Conduct technical assistance visits to Albuquerque field personnel office and Muskogee area personnel office.	Apr. 30, 1977		do	Other division personnel as assigned.

ACTION PLAN STEP PF-5: CONDUCT A PERSONNEL MANAGEMENT EVALUATION PROGRAM

RESPONSIBLE OFFICIAL: MARC HERSCHLER, CHIEF, BRANCH OF PERSONNEL MANAGEMENT EVALUATION, DEC. 31, 1976

Elements	Time (NLT)		Leader	Participant resources
	Planned	Actual		
1. Develop schedule of 3 to 4 PME's to be conducted during 1977—considering possibility that some may become more oriented toward assistance visits than strictly evaluations.	Jan. 31, 1977		Marc Herschler	Other personnel division branch chiefs.
2. Conduct PME's	[2]		do	Branch of PME staff members and other division members as assigned; area personnel office staff as assigned.

ACTION PLAN STEP HR-1: DEVELOP AND START OPERATING A MANPOWER FORECASTING SYSTEM

RESPONSIBLE OFFICIAL: PATTIE L. FULGHAM, CHIEF, BRANCH OF STAFFING AND MANPOWER, DEC. 31, 1976

1. Recruit and hire from another agency (on 1-year reimbursable detail) a project leader to (a) produce ''immediate ballpark'' numerical estimates for Indian intake and development program, and (b) design and install ongoing system.	Jan. 31, 1977		Pattie Fulgham	Louis D. Bayhylle, Jr., Paul Lorentzen, APM, CSC.
2. Obtain information on anticipated program trends/levels the next 2 to 3 years.	Feb. 28, 1977		Project leader	Financial management specialist, designated area, and CO managers.
3. Determine specific occupational fields/types of positions ''significant.''	Mar. 15, 1977		do	
4. Obtain available statistics from computer regarding past projected attrition rates in these occupational fields.	Mar. 31, 1977		do	Employee data and compensation personnel.
5. Produce ''ballpark'' numerical estimates of manpower needs by ''significant'' occupational fields.	Apr. 30, 1977		do	
6. Design method for capturing periodic program information.	June 30, 1977		do	To be determined later.
7. Revise/expand computer base/capability	Aug. 31, 1977		do	Do.
8. Install operational manpower forecasting system.	Oct. 31, 1977		do	Do.
9. Monitor system performance	Dec. 31, 1977 [1]		do	Do.

See footnotes at end of table.

ACTION PLAN STEP HR-2: DEVELOP AND START OPERATING A CENTRALIZED SKILLS INVENTORY/INDIAN AFFAIRS-JOBS-AVAILABLE SYSTEM INVOLVING PROACTIVE, OUTREACH RECRUITMENT

RESPONSIBLE OFFICIAL: PATTIE L. FULGHAM, CHIEF, BRANCH OF STAFFING AND MANPOWER, DEC. 31, 1976

1. Recruit and hire from another agency (on 1-year reimbursable detail) a project leader to develop (a) a Bureau positive recruitment system, (b) a centralized Indian affairs jobs available listing, and (c) a centralized Indian skills inventory.	Jan. 31, 1977		Pattie Fulgham	Louis D. Bayhylle, Jr., Paul Lorentzen, APM, CSC.
2. Determine occupational fields to be concentrated upon.	Feb. 28, 1977		Project leader	
3. Prepare specific work plans for (a), (b), and (c) above.	Mar. 31, 1977		do	
4. Determine additional staff (numbers and kinds) needed to accomplish work plans; recruit and hire on reimbursable detail basis.	Apr. 30, 1977		do	

ACTION PLAN STEP HR-3: DEVELOP AND OPERATE AN INDIAN INTAKE AND DEVELOPMENT PROGRAM

RESPONSIBLE OFFICIAL: PATTIE L. FULGHAM, CHIEF, BRANCH OF STAFFING AND MANPOWER, DEC. 31, 1976

1. Obtain from area offices complete inventory of Indian participants in present training/development programs, by occupational field and grade level (including cooperative education, bridge to professions, field management development training, and management understudy programs).	Feb. 28, 1977		Paul Lorentzen	Employment development specifications.

ACTION PLAN STEP HR-3: DEVELOP AND OPERATE AN INDIAN INTAKE AND DEVELOPMENT PROGRAM—Con.

RESPONSIBLE OFFICIAL: PATTIE L. FULGHAM, CHIEF, BRANCH OF STAFFING AND MANPOWER, DEC. 31, 1976—Continued

Elements	Time (NLT)		Leader	Participant resources
	Planned	Actual		
2. Develop guidelines for improved Bureauwide utilization and coordination of these programs during the "interim"; i.e., through October 1978.	Mar. 31, 1977		do	Mercedes Lewis and employment devel ment specifications.
3. Based on numerical estimates of manpower needs in "significant" occupational fields (resulting from HR-1), determine estimated 1st-year cost of Indian intake and development program for budget and ceiling justifications.	Apr. 30, 1977		do	Financial management specifications.
4. Develop basic requirements for program entrance.	June 30, 1977		do	Mercedes Lewis.
5. Develop program publicity and contact network for locating candidates.	Sept. 30, 1977		do	Proiect leader of HR2.
6. Develop application, screening, and selection procedures.	Dec. 30, 1977		do	Mercedes Lewis.
7. Develop work plan for bringing onboard 1st intake "class" by October 1978.	do		do	Mercedes Lewis and employment development specifications.

ACTION PLAN STEP HR-4: TAKE STEPS TO GROW INDIAN CANDIDATES FOR TECHNICAL/SPECIALIST POSITIONS, I.E., ENGINEERS, FORESTERS, ETC.

RESPONSIBLE OFFICIAL: PATTIE L. FULGHAM, CHIEF, BRANCH OF STAFFING AND MANPOWER, DEC. 31, 1976

1. Establish field task force of 4 to 6 managers to meet for a week in central office in April, to develop a work plan together with the CO directors concerned (administration, education, tribal resources, and trust responsibilities).	Apr. 31, 1977		Mercedes Lewis	4 to 6 area office managers per names provided in item 14 of "Manpower resources for action plan implementation" pages.

ACTION PLAN STEP HR-5: ISSUE POLICY GUIDELINES ON APPLICATION OF INDIAN PREFERENCE (RESTRUCTURING AND READVERTISING POSITIONS)

RESPONSIBLE OFFICIAL: PATTIE L. FULGHAM, CHIEF, BRANCH OF STAFFING AND MANPOWER, DEC 31, 1977

1. Prepare and issue guidelines in the form of a "spotlighted" expansion and explanation of the "area of consideration" and "job redesign" paragraphs of 44 BIAM 335, promotion and internal placement.	Feb. 1, 1977		Marlee Benecke	

ACTION PLAN STEP HR-8: DEVELOP QUALIFICATION STANDARDS/GUIDELINES FOR MAJOR TYPES OF POSITIONS

RESPONSIBLE OFFICIAL: PATTIE L. FULGHAM, CHIEF, BRANCH OF STAFFING AND MANPOWER, DEC, 31, 1975

1. Determine whether X-118 qualification standards are suitable as is for following Bureau positions: GS-1715, vocational development specialist; and GS-950, tribal operations officer (coordinated timewise with classification's decision re series). If not in either case, develop appropriate qualification material in consultation with CSC.	Jan. 31, 1977 Feb. 28, 1977		Mercedes Lewis Joyce Branch	
2. Develop draft qualification standards for following positions: GS-083, policeman (excepted standard); GS-301, area director (single-agency standard); GS-340, superintendent (single-agency standard); (coordinated informationwise with classification's guideline); and GS-1101, housing development officer (s-a standard) (coordinated timewise with classification's guideline).	do do do do		Staffing specialist Aberdeen AD, Sacramento Acting AD, Portland, and superintendent No. Idaho Agency, PO, Phoenix.	

ACTION PLAN STEP HR-8: DEVELOP QUALIFICATION STANDARDS/GUIDELINES FOR MAJOR TYPES OF POSITIONS—Continued

RESPONSIBLE OFFICIAL: PATTIE L. FULGHAM, CHIEF, BRANCH OF STAFFING AND MANPOWER, DEC. 31, 1975—Continued

Elements	Time (NLT)		Leader	Participant resources
	Planned	Actual		
3. Obtain comments on above draft standards from appropriate CO program officials.	Mar. 15, 1977		Joyce Branch	
4. Make informal contacts on drafts with Department and CSC.	Mar. 31, 1977		do	
5. Send drafts to areas, unions, and tribes for comment.	do		do	
6. Receive comments back in CO	May 31, 1977	do	do	
7. Revise as necessary; send final standards to Department/CSC.	June 15, 1977		do	
8. Obtain Department/CSC approval	July 15, 1977		do	
9. Solicit recommendations from areas for any additional qualification standards needed.	July 31, 1977		do	

ACTION PLAN STEP HR-9: IMPROVE PROCEDURES FOR DETERMINING ELIGIBILITY AND QUALIFICATIONS FOR SPECIFIC VACANCIES

RESPONSIBLE OFFICIAL: PATTIE FULGHAM, CHIEF, BRANCH OF STAFFING AND MANPOWER, DEC. 31, 1976

1. Prepare and issue policy guidelines on general acceptability considerations and selective placement factors, in the form of a revision of the "Qualification Determination of applicants for positions in BIA" memo and an expansion of the "Determining basic eligibility" paragraph of 44 BIAM 335, promotion and internal placement—to be used in announcing and filling vacancies.	Feb. 28, 1977		Joyce Branch	
2. Develop training program in how to use handbook X-118 in making qualification determinations.	Mar. 31, 1977		do	
3. Identify and select 8 to 10 instructors (staffing specialists).	Apr. 30, 1977		Pattie Fulgham	
4. Train instructors by conducting a pilot session in central office.	May 31, 1977		Joyce Branch	
5. Develop schedule of Bureau-wide training sessions and use of the instructors.	do		do	
6. Monitor and evaluate several sessions	June 30, 1977		do	
7. Obtain recommendations from areas on revision/improvements needed in use of promotion panels, assessment forms, and ranking procedures in 44 BIAM 335.	July 31, 1977		Marlee Benecke	
8. Develop work plan to accomplish above revisions/improvements.			do	

ACTION PLAN STEP HR-10: REISSUE UPDATED POLICY GUIDELINES FOR TRIBAL CONSULTATION OF PERSONNEL SELECTIONS

RESPONSIBLE OFFICIAL: PATTIE FULGHAM, CHIEF, BRANCH OF STAFFING AND MANPOWER, DEC. 31, 1976

1. Draft guidelines statement	Feb. 15, 1977		Joyce Branch	
2. Have draft reviewed by CO management and revise/refine with the help of field task force.	Mar. 1, 1977		do	Anson Baker, Billings; Frank Sololik, Muskogee; Ed McCabe, Navajo (in central office).
3. Send resulting draft guidelines to areas, unions, and tribes for comment.	Mar. 15, 1977		do	
4. Receive comments back in central office	May 15, 1977		do	
5. Prepare and issue final guidelines	June 30, 1977		do	

ACTION PLAN STEP HR-11A: ESTABLISH IMPROVED POLICIES AND PROCEDURES FOR POSITION MANAGEMENT AND ORGANIZATIONAL STRUCTURE

RESPONSIBLE OFFICIAL: JAMES DE FRANCE, CHIEF, BRANCH OF CLASSIFICATION, DEC. 31, 1976

Elements	Time (NLT)		Leader	Participant resources
	Planned	Actual		
1. Draft policy letter containing "front-end" submission and analysis procedures to be followed Bureau-wide on (a) proposed organizational changes, and (b) proposed new position/upgrading—involving coordinated review by budget, management analysis, and personnel functions; types of justification documents needed, etc.	Jan. 15, 1977		James DeFrance	
2. Obtain CO review and comments on draft.	Jan. 31, 1977		do	
3. Obtain comments from area directors	Feb. 28, 1977		do	
4. Issue final policy letter and start operating accordingly.	Mar. 15, 1977		do	
5. Prepare and issue revised BIAM chapter covering position management and classification policies; e.g. use of evaluation statements, cyclic audit operations, etc.	do		Gene Adams	

ACTION PLAN STEP HR-11B: DEVELOP INITIAL MANPOWER/STAFFING STANDARDS AND IMPROVED EMPLOYMENT CEILING OPERATIONAL PROCEDURES

RESPONSIBLE OFFICIAL: JAMES DE FRANCE, CHIEF, BRANCH OF CLASSIFICATION, DEC. 31, 1976

Elements	Planned	Actual	Leader	Participant resources
1. Review submissions from area offices re manpower/staffing standards needed (attachment 3 of Phoenix meeting report).	Jan. 31, 1977		Bill Furlong	M.R. & E.
2. Based thereon, prepare work plan for developing several pilot manpower/staffing standard projects, including the GS-200 field.	Feb. 28, 1977		do	do
3. Prepare and issue policy guidelines on coordination between budget and personnel functions in employment ceiling operations and on using the flexibilities of the system.	June 30, 1977		do	Financial management.

ACTION PLAN STEP HR-11C: CONTINUE TO PROVIDE TECHNICAL ASSISTANCE IN POSITION CLASSIFICATION/MANAGEMENT TO THE FIELD

RESPONSIBLE OFFICIAL: JAMES DE FRANCE, CHIEF, BRANCH OF CLASSIFICATION, DEC. 31, 1976

Elements	Planned	Actual	Leader	Participant resources
1. Conduct model supervisory training for managers and supervisors in central office, in position management and factor evaluation system (FES); and make course content available to area offices.	Jan. 11, 1977		Gene Adams	
2. Provide continuing assistance to Aberdeen personnel office (every other month).	Feb. 28, 1977[1]		do	
3. Help selected area offices with position classification operations; e.g., Billings and Phoenix.	Mar. 31, 1977[1]			Branch staff members.
4. Participate in technical assistance visits to Albuquerque field personnel office and Muskogee area PO. (See PF4.)	Apr. 30, 1977			Do.
5. Prepare for and conduct Bureau-wide position management/classification conference (review effectiveness of guidelines and procedures, facilitate interchange of ideas on position management operations in area offices, identify further work areas for policy and technical assistance, etc.) (See PF3.)	May 31, 1977		James DeFrance	Do.

ACTION PLAN STEP HR-11D: CONDUCT AND COMPLETE VARIOUS POSITION CLASSIFICATION AND WAGE ADMINISTRATION STUDIES AND PROJECTS

RESPONSIBLE OFFICIAL: JAMES DEFRANCE, CHIEF, BRANCH OF CLASSIFICATION, DEC. 31, 1976

Elements	Time (NLT)		Leader	Participant resources
	Planned	Actual		
1. Vocational development specialist GS-1715: Issue position classification guideline firming up use of GS-1715 series and providing grade level/position management guidance.	Jan. 31, 1977		Bill Furlong	
2. Educational aids and technicians GS-1702: Issue position classification guideline providing grade level guidance for nonsupervisory positions, and standard pd's.	Feb. 28, 1977		Frank DeKona and Gene Platt.	
3. Wage grade jobs: Review policies and procedures related to construction rates, and issue policy statement.	do		Wanda Byram	
4. Tribal operations officer GS-301/950: Coordinate with qualification standards study (HR-8) re use of GS-950 series, and issue position classification guidelines.	do. Mar. 15, 1977		Bill Furlong and Frank DeKona.	
5. Housing development officer GS-1101: Prepare rationale for use of GS-1101 series, and guidelines for classification by cross-referencing other standards—then coordinate with qualification standard project (HR-8) for July 15, 1977, issuance.	do July 15, 1977		Gene Adams	
6. Road engineer GS-810: Continue study to determine if Bureau of Public Roads classification guideline is applicable to BIA positions and, if so, issue some as Bureau guideline. (If not, develop schedule for guideline project, and conduct same.)	Mar. 31, 1977		do	
7. Law enforcement positions: Prepare detailed work plan for designing a career system covering guards, policemen, detectives, and criminal investigators, including grade level distinctions and relationships with other law enforcement bodies; i.e., FBI, State, and tribal enforcement bodies.	do		do	
8. Social workers GS-185: Prepare and issue position classification guideline summarizing grade level distinctions.	do		Kurt Stende	
9. Teachers GS-1710: Prepare and issue restatement of classification guidelines re GS-9 journeyman level versus GS-11 nonsupervisory positions, including model pd's.	Apr 30, 1977		Bill Furlong and Gene Platt.	
10. Superintendent GS-340: Continue to prepare guideline for classifying positions:				
Send redraft, based on field comments, out to field.	Mar. 31, 1977		Frank DeKona	Branch staff members
Obtain field comments back in central office.	May 15, 1977			
Issue final guideline	June 30, 1977			

ACTION PLAN STEP HR-12: DEVELOP AND CONDUCT COMMUNICATION WORKSHOPS ON PERSONNEL MANAGEMENT

RESPONSIBLE OFFICIAL: DOUGLAS RABEL, CHIEF, BRANCH OF EMPLOYEE DEVELOPMENT, DEC. 31, 1976

1. Develop workshop format and prepare initial draft of workshop guide.	Jan. 31, 1977		Doug Rabel	Branch staff members Irene Fischer and Paul Lorentzen.
2. Refine format and guide with help of "outside" resource.	Feb. 28, 1977		do	Training officer, Bureau of Reclamation.
3. Finalize format and guide with help of 3 area resource persons.	Mar. 31, 1977		do	Don Ross, Billings; Ed Rondeau, Portland; C. L. Henson, Sacramento.
4. Identify and select 10 facilitators from within Bureau.	do		do	Same as 1 above.
5. Train facilitators by conducting a pilot workshop.	April 30, 1977		Paul Lorentzen	Paul Vaniman, APM, as "critiquer."
6. Develop initial schedule of workshops and and use of facilitators.	do		Doug Rabel	10 trained facilitators.
7. Monitor and evaluate several workshops	May 31, 1977[1]		do	Branch staff members.

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[1] And ongoing.

ACTION PLAN STEP G-5: DEVELOP AND START CONDUCTING MANAGEMENT ORIENTATION FOR MANAGERS

RESPONSIBLE OFFICIAL: DOUGLAS *RABEL, CHIEF, BRANCH OF EMPLOYEE DEVELOPMENT, DEC.* 31, 1976

Elements	Time (NLT) Planned	Time (NLT) Actual	Leader	Participant resources
1. Establish a planning and development task force of 5 to 6 area management officials.	Jan. 31, 1977		Doug Rabel	
2. Hold 2- to 4-day task force meeting in the field, to work up course format and content outline.	Feb. 28, 1977		do	Task force members.
3. Prepare actual course material and guide	April 30, 1977		do	
4. Train instructors by conducting a pilot session.	June 30, 1977		do	Task force members (now as instructors).
5. Develop schedule of orientation sessions and use of instructors.	do		do	Instructors.
6. Monitor and evaluate several sessions	July 31, 1977 [1]		do	

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[1] Ongoing.

MEMORANDUM

FEBRUARY 15, 1977.

To: Acting Commissioner of Indian Affairs.
From: Project manager.
Subject: First Status Report on BIA's Action Plan for Personnel Management Improvement.

This report covers the first six weeks of operation under the Action Plan, and may serve as the basis for starting the discussion at the second expanded staff meeting you have called on the subject (on Thursday, Feb. 17).

Attached is a set of the Action Plan step pages updated to February 15, consisting of 15 of the total of 20 such pages. These 15 "Version 2" pages should be substituted for the corresponding "Version 1" pages, thus retaining the remaining five (pp. 8, 14, 17, 23 and 26) since there are no changes in them.

In general, during these initial weeks activity occurred in all areas as called for by the Action Plan, with some "normal slippage" experienced in several of them in view of the ambitious nature of the original deadline dates. The implementation progress to date may be summarized as follows:

A. PERSONNEL FUNCTION (PF 1–5)

The 2½-day offsite communication meeting of the top staff of the Personnel Division served as an effective forum for an open discussion of roles, expectations and procedures within the Division. The participation of the Director of Administration at several points during the meeting provided the needed dimension of top management direction. Agreement was reached on various communication and work plan procedures which should go a long way towards molding the Division into a more coordinated organization, with the Branch of Personnel Management Evaluation increasingly filling an analytical-catalyst role.

A comprehensive response to the Civil Service Commission's evaluation report of the Central Office was drafted, coordinated and transmitted, and a system for each succeeding 60-day response has been established.

All Area personnel offices have been requested to send in their ideas for operational improvements needed, and schedules of coordinated technical assistance and evaluation visits covering these offices have been drawn up. The assistance visit to Muskogee is occurring this week.

B. STAFFING AND MANPOWER (HR 1–5, 8–10)

Extensive contacts and phone calls have been made within Interior, CSC, and other Federal agencies in attempting to find the qualified persons needed to accomplish the manpower planning and positive recruitment action steps. Since time is running short, this week should see a resolution of the matter. In the meantime, a prototype operation of this kind covering the single Bureau occupation of Realty Officer GS–1170 is getting underway through the initiative of the Office of Trust Responsibilities and coordinated closely with the Action Plan.

Guideline material has been drafted on restructuring and readvertising positions, qualification determinations, and tribal consultation on personnel selections; and is being reviewed within the Division. The 3-man field task force concerning the tribal consultation guidelines will meet next week to finalize this draft for Central Office management review. Development of the training program in qualification determination is also proceeding on schedule.

Drafting of qualification standards is proceeding in all Area Offices listed in the Action Plan, and it has been determined that similar single-agency standards need to be developed for Vocational Development Specialist GS-1715.

C. TRAINING AND DEVELOPMENT (HR 12 AND G 5A)

Drafting of the facilitator's guide for the communication workshops on personnel management is almost completed, so that the review of this material can take place next month. Various possible resources for the different aspects of the management orientation program have been looked into, and a proposed contract with Planalysis has been prepared to cover several parts of the orientation in conjunction with the proposed training in program evaluation in the Bureau.

D. POSITION MANAGEMENT AND CLASSIFICATION (HR 11A-D)

Comments are now being reviewed on the draft policy letter regarding procedures for proposed organizational changes and new/upgraded positions; while preparation of the revised position management/classification Manual chapter is being coordinated with the Department's revised material in this area.

Submissions from five Area Offices concerning program evaluation and manpower/staffing standards have been distributed to Central Office Directors and concerned Divisions in Administration.

Onsite technical assistance in classification has been given to the Aberdeen, Billings and Albuquerque Area Offices; and position classification is a significant part of the onsite visit taking place in Muskogee this week. The drafting of classification guidelines for various positions is proceeding, with those for Vocational Development Specialist GS-1715 being discussed with that function.

ADDITIONAL DEVELOPMENTS

Beyond the specific numbered Action Plan steps, work is now being accomplished to ensure that the Bureau is ready when called upon with proposed positions concerning reassignment of non-Indians and early retirement.

Work is also proceeding on the return of classification authority to certain Area Offices, and on preparing the necessary material for the possible establishment of a Deputy Commissioner (Management) position.

Finally, a redescription of the Project Manager's role and responsibilities was accomplished, stating specifically the nature of the work currently engaged in and expected for the next 9-12 month period In regard to the coordinating/facilitating role in the EEO-personnel management relationship, guidance is being provided in the area of using parts of the Personnel Management Action Plan in developing an EEO Action Plan, and in responding to the parts of the CSC evaluation report pertaining to EEO.

PAUL LORENTZEN.

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF INDIAN AFFAIRS,
Washington, D.C., January 3, 1977.

MEMORANDUM

To: All central offices and area directors.
From: Commissioner of Indian Affairs.
Subject: Bureau of Indian Affairs' Action Plan for Personnel Management Improvement.

Attached are copies of the subject Action Plan, which I have approved for immediate implementation.

The plan was developed through a joint effort involving all of you and your representatives. It is to your credit that you recognized the need for commencing these improvement actions, and are now committing specific time and manpower resources to carrying out the actions.

Progress under the Action Plan will be reported monthly, and review of its status and effectiveness is expected to be a regular part of the agenda of each Director's meeting in the future.

Please ensure that your program management and personnel staff officials become well aware of this Bureauwide improvement initiative, and are thoroughly acquainted with their roles and responsibilities within it.

BEN REIFEL.

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF INDIAN AFFAIRS,
Washington, D.C., December 29, 1976.

MEMORANDUM

To: Commissioner of Indian Affairs.
From: Project Manager.
Subject: Bureau of Indian Affairs' Action Plan for Personnel Management Improvement.

In transmitting this Bureau plan to you for approval, I want to take the opportunity to place it within a larger perspective which I consider of perhaps greater significance than the specifics of the document itself.

1. What has happened in the very process of developing the Action Plan represents the single most important change for personnel management in the Bureau: Management's ownership of the problem. While it may only be the beginning, the point is that that beginning has been made and the corner has been turned: Bureau management has confronted, discussed, and developed a plan for starting to solve many long-standing personnel management problems. This is the necessary starting point for building a new and more useful conception of the roles and responsibilities for managing the Bureau's human resources.

All other improvement steps depend upon the continuation of this mode of responsibility acceptance and problem ownership by management.

2. The Action Plan development process has also clearly indicated the close inter-relationship between personnel management and general (internal) management of the Bureau. While we now are embarking upon a constellation of actions which in total address the personnel management issues and recommendations of the "Management Study" submitted to (and apparently being adopted by) the American Indian Policy Review Commission—and which, I believe, constitute a more complete and realistic improvement thrust than the Study's—similar planned initiatives are greatly needed in related areas of program evaluation, manpower/staffing standards and allocation, organizational structure issues, improved work methods, and communications.

As the last section of the Action Plan indicates, these management needs have been discussed to a degree, but the impetus for their full treatment and resolution through specific planned action must come from top management. The timing for addressing them now is right. A concerted effort made now can result in similar detailed action plans for presentation in the next few months.

3. The continuation of the personnel management improvement effort, and the undertaking of similarly needed efforts in any other areas of general management, will continue to be open to a degree of uncertainty, doubt and skepticism due to the absence within the Bureau of an institutional focus for internal management. A line, alter ego, career Deputy/Associate Commissioner position must be established and filled so that the direction of the Bureau—as an organization—receives that systematic and continuous leadership needed to ensure that BIA truly constitutes an effective and efficient instrument for accomplishing program missions and objectives, and not an institution wasting time and resources in less-than-effective management of itself.

4. As mentioned, this Action Plan may serve as an "answer" to any questions concerning what the Bureau is doing about the personnel management part of the "Management Study." It also constitutes the major part of a needed Bureau response to Civil Service Commission and Departmental concerns expressed in evaluation reports and elsewhere. Both the Commission and the Department's Office of Personnel Management are being asked to play significant "participant" roles in helping to implement various steps, and their continued assistance and guidance should and will be sought.

As many of the Bureau managers expressed themselves in Phoenix earlier this month, "We've talked and discussed enough—Let's start doing." I totally agree. There has been more than enough writing and planning and verbalizing; now it is time to act. The ultimate victim of inaction and unfaced problems in personnel management are the Indian people whom the Bureau is to serve. They have waited long enough for us to move forward.

It has been a privilege to work with the Bureau in developing the Action Plan. It represents an even larger challenge to be asked to assist in making it a reality.

Paul Lorentzen.

BUREAU OF INDIAN AFFAIRS' ACTION PLAN FOR PERSONNEL MANAGEMENT IMPROVEMENT

OBJECTIVE AND SCOPE OF PLAN

This plan addresses many long-standing problems of human resource management in the Bureau of Indian Affairs. Its objective is to develop and change various concepts, policies, programs and procedures so that personnel management in the Bureau becomes a primary contributor towards program accomplishment rather than constituting a problem in itself.

The roles and responsibilities of both management and the personnel function are addressed, as are the programmatic and operating tasks within that function. The plan does not presume to cover every conceivable aspect or problem area. Rather, it concentrates on those personnel management actions considered of fundamental significance at this time so that the Bureau thereby will be provided with a base for a fully acceptable program in all respects.

BACKGROUND TO THE NEED FOR IMPROVEMENT

During FY 1976, the necessity for a major improvement effort in personnel management in the Bureau was spotlighted by a number of evaluations made by the Civil Service Commission, the Department's Office of Personnel Management, and the Bureau itself. The March 25, 1976, Agreement between the Commissioner and the Assistant Secretary for Management detailed many specific initiatives and commitments for both the Bureau and the Department, primarily in the areas of position classification as well as the staffing and organizational placement of the Division of Personnel Management. A project manager was called for and designated, "to coordinate and direct" the improvement efforts through the development and implementation of an Action Plan.

The steps outlined in the March 25 Agreement have been taken, with significant and continuing effects on the quality of position classification and the capability of the Division of Personnel Management. The recommended Action Plan submitted by the Project Manager on September 7, 1976, analyzed the effects on personnel management in the Bureau of the dramatic events in Indian affairs of the past 8–10 years, and emphasized the developments and improvements needed in the:

Leadership role in the Bureau for general (internal) management.

Evaluation and communication functions in the Bureau.

Conception of personnel management by managers and personnel staffs.

Orientation and development of managers and supervisors.

Management and operation of the personnel function itself.

Specific personnel management areas of: Policy development and issuance; manpower planning; recruitment; Indian intake-and-development; qualification standards and determinations; career development; and position management/classification.

METHOD OF DEVELOPMENT

The primary basis for the Project Manager's recommended Action Plan of September 7 was an analysis of the 136 individual problem identification/solution discussions held with managers and personnel officials throughout the Bureau in June-August. Many important aspects of personnel management—such as performance evaluation, equal employment opportunity, labor-management relations, and employee services—were purposely not directly included in the recommended plan in order to (1) Concentrate on those problem areas which the discussions reflected as the most basic and pressing, and thus (2) Provide a foundation without which further meaningful development in these other areas was considered unrealistic.

During the following 3½ month period, management of the Bureau:

Distributed widely and reviewed the recommended Action Plan.

Committed itself to adopt a BIA Action Plan by December 31.

Held two 2-day Director's meetings (Denver, October 28–29; Phoenix, December 8–9) to discuss the plan, agree to its specific content, and adopt an "immediate priority" framework for implementation.

Based on extensive individual and group discussions within the Division of Personnel Management and on contacts with Area Directors, the specific no-later-than (NLT) dates and the leader/participant names appearing on the Action Plan Step pages were agreed upon.

STEPS TO BE ACCOMPLISHED

Accomplishment of the specific actions included in this plan will result in the following initial improvements:

A. *Personnel function (PF 1–5)*

1. Establishing a work objectives/work planning system within the Division of Personnel Management featuring communication and coordination across Branch lines, periodic review of progress being made toward meeting objectives, and continuing expansion and updating of the work plans.
2. Developing more meaningful statements of the role of each Branch and of the personnel function as a whole, constituting a part of the needed conceptual change regarding personnel management in the Bureau.
3. Providing the mechanism for Bureauwide coordination within the personnel function through sharing of work plans, the "lead role" concept, and periodic meetings on Bureauwide problem topics—thus avoiding wasteful duplication of effort and establishing a meaningful team mode for problem solving.
4. Improving personnel operations by providing immediate assistance to the Central Office and Albuquerque Field servicing operations, conducting technical assistance visits to selected Area personnel offices, and initiating a schedule of studies to improve operational methods and techniques Bureauwide.
5. Establishing a planned evaluation program within the function.

B. *Staffing and manpower (HR 1–5, 8–10)*

1. Obtaining the resources needed to produce a set of numerical estimates of Bureau manpower needs for immediate use in developing recruitment and staffing plans, and to install a forecasting system providing periodic manpower information to management for action purposes.
2. Obtaining the resources needed to develop a positive recruitment system for the Bureau including a centralized inventory of Indian skills nationwide, and a centralized listing of Indian Affairs jobs available.
3. Developing the budget and ceiling justifications for an Indian intake-and-development program in the Bureau; as well as the application requirements, publicity means, screening procedures, and selection methods.
4. Establishing a task force to develop a work plan for growing more Indian candidates for technical/specialist positions (e.g. engineers, foresters, etc.)
5. Issuing policy guidelines on the application of Indian preference in relation to restructuring and readvertising positions.
6. Issuing appropriate qualification standards material for six major types of positions including Area Director and Superintendent.
7. Issuing policy guidelines regarding the use of general acceptability considerations and selective placement factors in determining eligibility and qualifications for specific vacancies.
8. Conducting training sessions Bureauwide in the use of Handbook X-118 for making qualification determinations.
9. Developing a work plan to improve the use of promotion panels, assessment forms and ranking procedures.
10. Reissuing updated policy guidelines for tribal consultation on personnel selections.

C. *Training and development (HR 12 and G 5)*

1. Developing and conducting role clarification and problem-solving communication workshops on personnel management, for managers/supervisors and personnel staffs.
2. Obtaining the resources needed to develop an orientation course for managers to general management principles, Federal government management policies, Bureau policies and programs, and Indian tribal government and culture; and conducting sessions Bureauwide.
3. Obtaining the resources needed to develop career guidelines/pathways for major types of management positions.

D. *Position management and classification (HR 11A–D)*

1. Issuing policy letter on coordinated budget/management analysis/personnel procedures to be followed Bureauwide regarding proposed organizational changes and new positions/upgradings.

2. Issuing revised Manual chapter on position management and classification policies.
3. Preparing work plan for developing several manpower/staffing standards.
4. Issuing policy guidelines on coordinated roles of budget and personnel functions in employment ceiling operations.
5. Conducting supervisory/managerial training in position management and the Factor Evaluation System.
6. Providing continuing assistance in position management/classification to personnel offices.
7. Conducting a Bureauwide position management/classification conference.
8. Issuing position classification guidelines for eight major types of positions including Superintendent and Tribal Operations Officer.
9. Preparing work plan for designing a career system for law enforcement positions.
10. Issuing policy statement on construction rates for Wage Grade positions.

COMMITMENT OF RESOURCES

The manpower resources directly committed to implementing this plan include a significant part of the total capability available in the Division of Personnel Management, participation in four specific tasks by selected individuals in Area offices, the use on a temporary project/product basis of outside–BIA resources for four tasks, and the continued assignment of the Project Manager as both coordinator/director and specific task performer.

The no-later-than (NTL) dates listed on the Action Plan Step pages are the most realistic ones possible at this time. As already indicated, the Action Plan in no way covers all problems in personnel management nor represents the total work performed in the function. The realities of the daily "press of business" and new "priority" demands have been taken into account as far as possible in committing resources and setting deadlines in the plan. A system of monthly progress review/plan update meetings will be used to provide management with status reports and make appropriate plan revisions.

ADDITIONAL ISSUES CONSIDERED

During the review period of the September 7 recommended Action Plan, the additional steps included in the plan were discussed and settled as follows:

A work group has been formed to prepare two issue papers for the Commissioner covering the topics addressed in HR 6 and 7, i.e. reassignment of non-Indians in relation to Indian preference, and outplacement/legislative assistance for non-Indians. Depending upon the decisions on these issues, one or both may become future parts of the Action Plan.

The establishment of a career, line Deputy/Associate Commissioner (Management) position, to provide an effective institutional focus for internal management, was agreed upon. The next step is for Bureau top management to submit a specific written package/proposal to the Departmental Executive Manpower Resources Board.

It was agreed that the development of standards for evaluating operating program effectiveness and to serve as the basis for an ongoing program evaluation activity in the Bureau was a responsibility of the Commissioner's Office, which should be carried out. Central Office and Area Directors have been requested to submit preliminary information and suggestions for use in commencing work in this area.

It was agreed that the providing of leadership in organizational structure matters, the development of manpower/staffing standards, and the systematic study and improvement of work methods are responsibilities of the Central Office, which should be carried out. This Action Plan includes the issuance of a policy letter on procedures to be followed in organizational matters, and the presentation of a work plan for the development of several "pilot" manpower/staffing standards based on preliminary information and suggestions requested from Central Office and Area Directors. Similar information and suggestions have been solicited regarding needed work method studies.

It was agreed that to a very large extent improvements in the Bureau's communication management style will depend upon the behavior of and example set by the Commissioner. Many methods and techniques can be used to develop a teamwork atmosphere of cooperation and coordination.

Any of the above issues, depending upon future developments and decisions, may become parts of an expanded Action Plan.

Action Plan Step/Responsible Official/Elements	Time (NLT) Planned	Time (NLT) Actual	Leader	Comments and participant resources
PF-1 AND PF-2: RESTATE THE ROLE OF THE PERSONNEL FUNCTION AND ESTABLISH A PLANNING/WORK OBJECTIVES SYSTEM WITHIN IT				
Marc Herschler, Chief, Branch of Personnel Management Evaluation—Version 2, February, 15 1977				
1. Schedule, select site of, and prepare agenda for 1st personnel division 2-to-3-day offsite communication meeting for problem identification, interfunctional coordination, and work objectives building.	Jan. 14, 1977	Jan. 14, 1977	Marc Herschler	Doug Rabel, Paul Lorentzen.
2. Hold personnel division offsite meeting with director of administration, chief personnel officer, assistant Chief, and 7 branch chiefs in attendance—resulting in list of operational problems and possible ways of solving them.	(1)	(1)	Paul Lorentzen (facilitator).	
3. Prepare individual branch work objectives and work plans including resources needed (monetary, travel, space, etc.)	Jan. 31, 1977	Feb. 7, 1977	Marc Herschler	Each branch chief; division package to Mr. Zuni by February 18.
4. Prepare Individual branch revised statements of function and revised statement of function for division.	Feb. 28, 1977		do	Each branch chief.
5. Develop the ongoing personnel division planning/work objectives system providing for periodic communication meetings, measurement of program progress, appropriate revision of work objectives and plans, etc.	Mar. 31, 1977		do	
PF-3: PROVIDE BUREAUWIDE COORDINATION WITHIN PERSONNEL FUNCTION				
Marc Herschler, Chief, Branch of Personnel Management Evaluation—Version 1, Dec. 31, 1976				
1. Establish and implement concept of "lead roles" in specific areas of the personnel function, by area office. based on offices' interests and concerns (see PF-4) and to avoid duplication of efforts.	Mar. 31, 1977		Marc Herschler	Other personnel division branch chiefs.
2. Establish a communication network within personnel function by (a) sharing all personnel division work plans with area personnel offices; (b) through "lead role" concept, informing area offices of major developments throughout Bureau in all functional areas; and (c) using normal telephone contacts for keeping abreast of problem identification and resolution.	April 30, 1977		do	Do.
3. Prepare for and conduct periodic personnel officer meetings during 1977 on specific functional topics (with those functional chiefs attending), using "lead role" concept to develop agendas.	Apr. 30, Aug. 31, Dec. 31, 1977.		do	Do.

Action Plan Step/Responsible Official/Elements	Time (NLT) Planned	Time (NLT) Actual	Leader	Comments and participant resources
PF-4: IMPROVE OPERATIONS AND WORK METHODS WITHIN PERSONNEL FUNCTION				
Marc Herschler, Chief, Branch of Personnel Management Evaluation—Version, 2 Feb. 15, 1977				
1. Assist branch of personnel services, CO, in:				
(a) responding to and taking actions on CSC evaluation report	Jan. 15, 1977	Jan. 17, 1977	Marc Herschler	Branch chief; response format developed next response due Mar. 17.
(b) Identifying work areas/methods in need of improvement, and developing plan for accomplishing same.	Mar. 31, 1977		do	Branch chief.
2. Obtain list from area offic s of (a) improved operational methods/techniques each is using, and (b) operational problem/concern areas in need of improvement.	Jan. 31, 1977		do	Branch chief. Memo sent to field Jan. 31; reply deadline Feb. 28.
3. Develop work plan for conducting improved operational methods/techniques studies and instituting such improvements Bureau-wide.	Feb. 28, 1977		do	PME branch staff membes.
4. Conduct technical assistance visits to various offices:				
(a) Muskogee area personnel office	(1)	(1)	do	Other division personnel.
(b) Albuquerque field personnel office	Mar. 31, 1977		do	J. DeFrance and L. Bayhylle.
5. Coordinate timing of assistance by other branches to area offices		(1)	do	Other branch chiefs.
PF-5: CONDUCT A PERSONNEL MANAGEMENT EVALUATION PROGRAM				
Marc Herschler, Chief, Branch of Personnel Management Evaluation—Version 2, Feb. 15, 1977				
1. Develop schedule of 3 to 4 PME's to be conducted during 1977—considering possibility that some may become more oriented toward assistance visits than strictly evaluations.	Jan. 31, 1977	Jan. 31, 1977	Marc Herschler	Other personnel division branch chiefs.
2. Conduct PME's	(1)		do	Branch of PME staff members and other division members as assigned; area personnel office staff as assigned.
HR-1: DEVELOP AND START OPERATING A MANPOWER FORECASTING SYSTEM				
Pattie L. Fulgham, Chief, Branch of Staffing and Manpower—Version 2, Feb. 15, 1977				
1. Recruit and hire from another agency (on 1-year reimbursable detail) a project leader to (a) produce "immediate ballpark" numerical estimates for Indian intake and development program, and (b) design and install ongoing system.	Feb. 28, 1977		Pattie Fulgham	Louis D. Bayhylle, Jr., Paul Lorentzen, APM, CSC.
2. Obtain information on anticipated program trends/levels the next 2 to 3 years	Mar. 15, 1977		Project leader	Financial management specialist; designated area, and CO managers.
3. Determine specific occupational fields/types of positions "significant"	do		do	
4. Obtain available statistics from computer regarding past projected attrition rates in these occupational fields.	Mar. 31, 1977		do	Employee data and compensation personnel.
5. Produce "ballpark" numerical estimates of manpower needs by "significant" occupational fields.	Apr. 30, 1977		do	
6. Design method for capturing periodic program information	June 30, 1977		do	To be determined later.
7. Revise/expand computer base/capability	Aug. 31, 1977		do	Do.
8. Install operational manpower forecasting system	Oct. 31, 1977		do	Do.
9. Monitor system performance	Dec. 31, 1977		do	Do.

HR-2: DEVELOP AND START OPERATING A CENTRALIZED SKILLS INVENTORY/INDIAN AFFAIRS-JOBS-AVAILABLE SYSTEM INVOLVING PROACTIVE, OUTREACH RECRUITMENT

Pattie L. Fulgham, Chief, Branch of Staffing and Manpower—Version 2, Feb. 15, 1977

1. Recruit and hire from another agency (on 1-year reimbursable detail) a project leader to develop (a) a Bureau positive recruitment system, (b) a centralized Indian affairs jobs available listing, and (c) a centralized Indian skills inventory.	Jan. 31, 1977	Pattie Fulgham	Louis D. Bayhylle, Jr., Paul Lorentzen, APM, CSC.
2. Determine occupational fields to be concentrated upon	Feb. 28, 1977	Project leader	
3. Prepare specific work plans for (a), (b), and (c) above	Mar. 31, 1977	do	
4. Determine additional staff (numbers and kinds) needed to accomplish work plans; recruit and hire on reimbursable detail basis.	Apr. 30, 1977	do	

HR-3: DEVELOP AND OPERATE AN INDIAN INTAKE AND DEVELOPMENT PROGRAM

Pattie L. Fulgham, Chief, Branch of Staffing and Manpower—Version 2, Feb. 15, 1977

1. Obtain from area offices complete inventory of Indian participants in present training/development programs, by occupational field and grade level (including cooperative education, bridge to professions, field management development training, and management understudy programs).	Mar. 15, 1977	Paul Lorentzen	Employment development specialists.
2. Develop guidelines for improved Bureau-wide utilization and coordination of these programs during the "interim"; i.e., through October 1978.	Mar. 31, 1977	do	Mercedes Lewis and employment development specialists.
3. Based on numerical estimates of manpower needs in "significant" occupational fields (resulting from HR-1), determine estimated 1st-year cost of Indian intake and development program for budget and ceiling justifications.	Apr. 30, 1977	do	Financial management specialists
4. Develop basic requirements for program entrance	June 30, 1977	do	Mercedes Lewis.
5. Develop program publicity and contact network for locating candidates	Sept. 30, 1977	do	Project leader of HR-2.
6. Develop application, screening, and selection procedures	Dec. 30, 1977	do	Mercedes Lewis.
7. Develop work plan for bringing onboard 1st intake "class" by October 1978	do	do	Mercedes Lewis and employment development specialists.

HR-4: TAKE STEPS TO GROW INDIAN CANDIDATES FOR TECHNICAL/SPECIALIST POSITIONS; I.E., ENGINEERS, FORESTERS, ETC.

Pattie L. Fulgham, Chief, Branch of Staffing and Manpower—Version 1, Dec. 31, 1976

1. Establish field task force of managers, to meet for a week in central office in April, to develop a work plan together with the CO directorates concerned (administration, education, tribal resources, and trust responsibilities).	Apr. 31, 1977	Mercedes Lewis	Central office directorate representatives; field task force members; Richard Drapeaux, deputy AD, Aberdeen; Dan Sahmaunt, education program administrator, Anadarko; Alonzo Spang, chief, Indian service, Billings; Charles Toyebo, community service officer, Sacramento; Robert Walker, financial officer, Albuquerque; Otto Karl Weaver, chief, land operations, Navajo.

Action Plan Step/Responsible Official/Elements	Time (NLT)		Leader	Comments and participant resources
	Planned	Actual		
HR-5: ISSUE POLICY GUIDELINES ON APPLICATION OF INDIAN PREFERENCE (RESTRUCTURING AND READVERTISING POSITIONS)				
Pattie L. Fulgham, Chief, Branch of Staffing and Manpower—Version 2, Feb. 15, 1977				
1. Prepare and issue guidelines in the form of a "spotlighted" expansion and explanation of the "area of consideration" and "job redesign" paragraphs of 44 BIAM 335, promotion and internal placement.	Mar. 1, 1977		Marlee Benecke	
HR-6: DEVELOP QUALIFICATION STANDARDS/GUIDELINES FOR MAJOR TYPES OF POSITIONS				
Pattie Fulgham, Chief, Branch of Staffing and Manpower—Version 2, Feb. 15, 1977				
1. Determine whether X-118 qualification standards are suitable as is for the following Bureau positions:				
GS-1715, vocational development specialist	Jan. 31, 1977	Feb. 10, 1977	Mercedes Lewis	Will need development of single-agency qualification standard.
GS-950, tribal operations officer (coordinated timewise with classification's decision re series). If not in either case, develop appropriate qualification material in consultation with CSC.	Feb. 28, 1977		Joyce Branch	
2. Develop draft qualification standards for the following positions:				
GS-083, policeman (excepted standard)	do		Dennis Renville, staffing specialist, Aberdeen.	
GS-301, area director (single-agency standard)	do		William Finale, area director, Sacramento.	
GS-340, superintendent (single-agency standard) (coordinated informationwise with classification's guideline).	do		Doyce Waldrip, acting AD, Portland.	
GS-1101, housing development officer (single-agency standard; coordinated timewise with classification's guideline).	do		Richard Slater, personnel officer, Albuquerque.	
GS-1715, vocation development specialist (single-agency standard)	Apr. 1, 1977		Mercedes Lewis	
3. Obtain comments on above draft standards from appropriate central office program officials	Mar. 15, 1977		Joyce Branch	
4. Make informal contacts on drafts with Department and CSC	Mar. 31, 1977		do	
5. Send drafts to areas, unions, and tribes for comment	do		do	
6. Receive comments back in central office	May 31, 1977		do	
7. Revise as necessary; send final standards to Department/CSC	June 15, 1977		do	
8. Obtain Department/CSC approval	July 15, 1977		do	
9. Solicit recommendations from areas for any additional qualification standards needed	July 31, 1977		do	

HR-9: IMPROVE PROCEDURES FOR DETERMINING ELIGIBILITY AND QUALIFICATIONS FOR SPECIFIC VACANCIES

Pattie Fulgham, Chief, Branch of Staffing and Manpower—Version 1, Dec. 31, 1976

1. Prepare and issue policy guidelines on general acceptability considerations and selective placement factors, in the form of a revision of the "Qualification determination of applicants for positions in BIA" memo and an expansion of the "Determining basic eligibility" paragraph of 44 BIAM 335, Promotion and internal placement—to be used in announcing and filling vacancies.	Feb. 28, 1977		Joyce Branch	
2. Develop training program in how to use handbook X-118 in making qualification determinations	Mar. 31, 1977		do	
3. Identify and select 8 to 10 instructors (staffing specialists)	Apr. 30, 1977		Pattie Fulgham	
4. Train instructors by conducting a pilot session in central office	May 31, 1977		Joyce Branch	
5. Develop schedule of Bureau-wide training sessions and use of the instructors	do		do	
6. Monitor and evaluate several sessions	June 30, 1977		do	
7. Obtain recommendations from areas on revision/improvements needed in use of promotion panels, assessment forms and ranking procedures in 44 BIAM 335.	July 31, 1977		Marlee Benecke	
8. Develop work plan to accomplish above revisions/improvements			do	

HR-10: REISSUE UPDATED POLICY GUIDELINES FOR TRIBAL CONSULTATION ON PERSONNEL SELECTIONS

Pattie Fulgham, Chief, Branch of Staffing & Manpower—Version 2, Feb. 15, 1977

1. Draft guidelines statement	Feb. 15, 1977	Feb. 10, 1977	Joyce Branch	
2. Have draft reviewed by central office management and revise/refine with the help of field task force.	Mar. 1, 1977		do	James Canan, AD, or Anson Baker, superintendent, Billings; Emmett Cameron, administrative officer, Minneapolis; Ed McCabe, superintendent, Navajo.
3. Send resulting draft guidelines to areas, unions, and tribes for comment	Mar. 15, 1977		do	
4. Receive comments back in central office	May 15, 1977		do	
5. Prepare and issue final guidelines	June 30, 1977		do	

HR-11A: ESTABLISH IMPROVED POLICIES AND PROCEDURES FOR POSITION MANAGEMENT AND ORGANIZATIONAL STRUCTURE

James DeFrance, Chief, Branch of Classification—Version 2, Feb. 15, 1977

1. Draft policy letter containing "front-end" submission and analysis procedures to be followed Bureau-wide on (a) proposed organizational changes, and (b) proposed new position/upgrading—involving coordinated review by budget, management analysis, and personnel functions; types of justification documents needed, etc.	Jan. 15, 1977	Jan. 12 1977	James DeFrance	
2. Obtain CO review and comments on draft	Jan. 31 1977	Feb. 7, 1977	do	Comments being reviewed together with M.R. & E. and financial mgmt.
3. Obtain comments from area directors	Feb. 28, 1977	do	do	

HR–11A: ESTABLISH IMPROVED POLICIES AND PROCEDURES FOR POSITION MANAGEMENT AND ORGANIZATIONAL STRUCTURE—Continued

James DeFrance, Chief, Branch of Classification—Version 2, Feb. 15, 1977

Action Plan Step/Responsible Official/Elements	Time (NLT) Planned	Time (NLT) Actual	Leader	Comments and participant resources
4. Issue final policy letter, and start operating accordingly	Mar. 15, 1977		do	
5. Prepare and issue revised BIAM chapter covering position management and classification policies; e.g., use of evaluation statements, cyclic audit operations, etc.	Apr. 30, 1977		Gene Adams	Draft revised departmental chapter received late December. Bureau comments to Department on Jan. 28, 1977.

HR–11B: DEVELOP INITIAL MANPOWER/STAFFING STANDARDS, AND IMPROVED EMPLOYMENT CEILING OPERATIONAL PROCEDURES

James DeFrance, Chief, Branch of Classification—Version 2, Feb. 15, 1977

Action Plan Step/Responsible Official/Elements	Time (NLT) Planned	Time (NLT) Actual	Leader	Comments and participant resources
1. Review submissions from area offices re manpower/staffing standards needed (attachment 3 of Phoenix meeting report).	Feb. 28, 1977		Bill Furlong	M.R. & E. area office submissions available Feb. 4, 1977.
2. Based thereon, prepare work plan for developing several pilot manpower/staffing standard projects, including the GS–200 field.	Mar. 31, 1977		do	M.R. & E.
3. Prepare and issue policy guidelines on coordination between budget and personnel functions in employment ceiling operations and on using the flexibilities of the system.	June 30, 1977		do	Financial management.

HR–11C: CONTINUE TO PROVIDE TECHNICAL ASSISTANCE IN POSITION CLASSIFICATION/ MANAGEMENT TO THE FIELD

James DeFrance, Chief, Branch of Classication—Version 2, Feb. 15, 1977

Action Plan Step/Responsible Official/Elements	Time (NLT) Planned	Time (NLT) Actual	Leader	Comments and participant resources
1. Conduct model supervisory training for managers and supervisors in central office, in position management and factor evaluation system (FES); and make course content available to area offices.	Jan. 11, 1977 Feb. 28, 1977	(5)	Gene Adams	Douglas Rabel. Material being prepared.
2. Provide continuing assistance to Aberdeen personnel office (every other month). (See PF–4)	do [4]	(6)	do	
3. Help selected area offices with position classification operations. (See PF–4):				
Billings area personnel office	Jan. 31, 1977 [4]	(7)	Bill Furlong and Frank DeKona.	
Albuquerque area personnel office		(8)	Bill Furlong	
Phoenix area personnel office	Mar. 31, 1977			
4. Participate in technical assistance visits to. (See PF–4):				
(a) Muskogee area personnel office	(2)	(2)	Jim DeFrance	Branch staff members.
(b) Albuquerque field personnel office	Apr. 30, 1977			
5. Prepare for and conduct bureau-wide position management/classification conference (review effectiveness of guidelines and procedures, facilitate interchange of ideas on position management operations in area offices, identify further work areas for policy and technical assistance, etc.). (See PF–3.)	July 31, 1977		Jim DeFrance	Do.

HR-11D: CONDUCT AND COMPLETE VARIOUS POSITION CLASSIFICATION AND WAGE ADMINISTRATION STUDIES AND PROJECTS

James DeFrance, Chief, Branch of Classification—Version 2, Feb. 15, 1977

1. Vocational development specialist GS-1715: Issue position classification guideline firming up use of GS-1715 series and providing grade level/position management guidance.	Feb. 28, 1977	Bill Furlong	Draft prepared and discussed at vocational development conference Jan. 19.
2. Educational aids and technicians GS-1702: Issue position classification guideline providing grade level guidance for nonsupervisory positions, and standard pd's.	Mar. 15, 1977	Frank DeKona and Lois Rafalko.	
3. Wage grade jobs: Review policies and procedures related to construction rates, and issue policy statement.	do	Wanda Byram	
4. Tribal operations officer GS-301/950: Coordinate with qualification standards study (HR-8) re use of GS-950 series, and issue position classification guidelines.	Feb. 28, 1977 Mar. 15, 1977	Bill Furlong and Frank DeKona.	
5. Housing development officer GS-1101: Prepare rationale for use of GS-1101 series, and guidelines for classification by cross-referencing other standards—then coordinate with qualification standard project (HR-8) for July 15, 1977 issuance.	do July 15, 1977	Gene Adams	
6. Road engineer GS-810: Continue study to determine if Bureau of Public Roads classification guideline is applicable to BIA positions and, if so, issue same as Bureau guideline. (If not, develop schedule for guideline project, and conduct same.)	Mar. 31, 1977	Gene Adams	
7. Law enforcement positions: Prepare detailed work plan for designing a career system covering guards, policemen, detectives, and criminal investigators, including grade level distinctions and relationships with other law enforcement bodies; i.e. FBI, State, and tribal enforcement bodies.	June 30, 1977	Jack Martin	
8. Social workers GS-185: Prepare and issue position classification guideline summarizing grade level distinctions.	Mar. 31, 1977	Kurt Stende	
9. Teachers GS-1710: Prepare and issue restatement of classification guildelines re GS-9 journeyman level versus GS-11 nonsupervisory positions, including model pd's.	Apr. 30, 1977	Bill Furlong and Gene Platt.	
10. Superintendent GS-340: Continue to prepare guideline for classifying positions:			
Send redraft, based on filed comments, out to field	Mar. 31, 1977	Frank DeKona	Branch staff members.
Obtain field comments back in central office	May 15, 1977		
Issue final guideline	June 30, 1977		

HR-12: DEVELOP AND CONDUCT COMMUNICATION WORKSHIPS ON PERSONNEL MANAGEMENT

Douglas Rabel, Chief, Branch of Employee Development—Version 2, Feb. 15, 1977

1. Develop workshop format and prepare initial draft of workshop guide	Feb. 28, 1977	Doug Rabel	Dick Gubbins and Judy Zunde Irene Fischer, Paul Lorentzen.
2. Refine format and guide with help of "outside" resource	Mar. 15, 1977	do	Training officer, Bureau of Reclamation.
3. Finalize format and guide with help of 3 area resource persons	Mar. 31 ,1977	do	Don Ross, Billings; Ed Rondeau Portland; C. L. Henson, Sacramento.
4. Identify and select 10 facilitators from within Bureau	do	do	Same as 1 above.
5. Train facilitators by conducting a pilot workshop	Apr. 30, 1977	Paul Lorentzen	Paul Vaniman, APM, as "critiquer."
6. Develop initial schedule of workshops and use of facilitators	do	Doug Rabel	10 trained facilitators.
7. Monitor and evaluate several workshops	May 31, 1977[4]	do	Branch staff members.

Action Plan Step/Responsible Official/Elements	Time (NLT)		Leader	Comments and participant resources
	Planned	Actual		
G-5A: DEVELOP AND START CONDUCTING MANAGEMENT ORIENTATION FOR MANAGERS				
Douglas Rabel, Chief, Branch of Employee Development—Version 2, Feb. 15, 1977				
1. Identify and select an outside resource person/organization to develop course format and content.	Jan. 31, 1977	Feb. 10, 1977	Doug Rabel	Paul Lorentzen.
2. Effect contract with same	Feb. 28, 1977		do.	Financial management.
3. Obtain product from same	May 31, 1977		do.	Contractor.
4. Identify instructors and get them trained	June 30, 1977		do.	Do.
5. Develop schedule of orientation sessions and use of instructors	do.		do.	Instructors.
6. Monitor and evaluate several sessions	July 31, 1977 [4]		do.	
C-5B: DEVELOP CAREER GUIDELINES/PATHWAYS FOR MAJOR TYPES OF MANAGEMENT POSITIONS				
Pattie Fulgham, Chief, Branch of Staffing and Manpower—Version 1, Dec. 31, 1976				
1. Recruit and hire from another agency (on reimbursable detail) a project leader. Work plan to include: Determining specific types of management positions—e.g. area director, superintendent, etc.—which will be dealt with; obtaining data on career pathways which present incumbents of these positions have followed; developing draft career guidelines/pathways; sending drafts to appropriate managers and obtaining comments; and revising as necessary with help of manager task force and issue in final.	July 31, 1977		Pattie Fulgham	Louis Bayhylle, Paul Lorentzen APM, CSC.

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[1] Jan. 24-26.
[2] Ongoing Feb. 14-18.
[3] Ongoing.
[4] And ongoing.
[5] Jan. 10-11 and 17-18.
[6] Feb. 7-11.
[7] Jan. 24-Feb. 4.
[8] Jan. 24-27.

APRIL 4, 1977.

MEMORANDUM

To: Acting Commissioner of Indian Affairs.
From: Project Manager.
Subject: Second status report on BIA's Action Plan for Personnel Management Improvement.

The attached set of Action Plan step pages have been updated to reflect all developments that occurred during the seven weeks since the first status report (of February 15). Since every page has been revised and reproduced, the attached pages should be substituted for the complete previous set.

As a review of this updated material will indicate, significant progress is being made in almost every area of the Action Plan. In a number of cases the reality of the current budget "crunch" is being met by adopting "mini" or "midi" implementation levels (rather than the planned "maxi" levels); and in other cases the priorities of other personnel work have meant slippage from originally contemplated dates. However, in no instance is the substance of the Action Plan being sacrificed or lost; and in some cases progress is on or even ahead of original schedules.

The implementation progress since February 15 may be summarized as follows:

A. PERSONNEL FUNCTION (PF 1-5)

A Division of Personnel Management Work Plan through FY 1978 has been submitted to the Director of Administration, including a statement of function. The review of the Branch of Personnel Services has been conducted, involving interviews with 45 Central Office and Eastern Area managers and personnel staff members; and a specific Action Plan for meeting identified improvement needs is now being developed by Division leadership.

Another 60-day response has been made to CSC on the evaluation of the Central Office last year. An extensive technical assistance visit is scheduled for later this month to the Albuquerque Field Personnel Office to address problems identified by the recent CSC evaluation there. And a schedule of onsite personnel management evaluations by the Division of Personnel Management covering four Area Offices in the next 15 months has been drawn up.

B. STAFFING AND MANPOWER (HR 1-5, 8-10)

Based on our extensive "recruitment" efforts, David Rector (EPA participant in the Federal Executive Development Program) began a 3-month full-time assignment on 4/4 in estimating the Bureau's manpower needs and designing a continuing forecasting system (HR 1); while funds are now being sought for contracting with Nate Shinderman (long-term CSC official with extensive familiarity with BIA) to plan a Bureau positive recruitment program (HR 2). The prototype manpower study of the GS-1170 Reality series, funded by Trust responsibilities, is proceeding on schedule under Dr. Taylor's leadership. And the Project Manager produced some preliminary statistical analyses and narrative statements for the Indian intake-and-development program (HR 3) which served as a basis for the Congressional budget hearings and, temporarily, for FY 1969 estimates.

Preparations have been made for the April 19-21 meeting of Central Office and field officials to develop a work plan for "growing" more Indian candidates for natural resource and engineering occupations. A suggested agenda is now being prepared. (HR 4)

Updated guidelines for tribal consultation on personnel matters (HR 10) were written by a field task force, and are now being reviewed Bureauwide with comments due May 1. Guidelines on restructuring and readvertising positions (HR 5), and on qualification determinations and basic eligibility (HR 9), have been completed and are being reviewed and revised in the Division of Personnel Management with expected issuance date of 4/30.

Draft qualifications standards (HR 8) have been received from the field for Policeman, Housing Development Officer, and Area Director; and discussions have started on the first two with appropriate Central Office managers. The need for a qualification guideline for Vocational Development Specialist has been identified and work on a draft started. The Branch of Staffing and Manpower is also participating in the CSC research study of improved evaluation methods for teacher candidates; and has ensured that all requests for teachers for the 1977-78 school year have been submitted to CSC.

C. TRAINING AND DEVELOPMENT (HR 12 AND G 5A)

The personnel management communication workshop guide (HR 12) is being typed in final following its review by the Training Officer, Bureau of Reclamation, and a BIA field task force. For budget reasons, conducting the pilot workshop is postponed until late June, with the sessions to be held in all Areas during July-August; and the number of facilitators is reduced to two.

With the assistance of the staff of the Division of Self-Determination and representatives from Contracting, a viable means for conducting management orientation for managers (G 5A) is now being explored, involving complete coordination with management training needed for PL 93–638 operations and the use of internal BIA resources for course development and conduct.

D. POSITION MANAGEMENT AND CLASSIFICATION (HR 11A–D)

The policy letter on Bureauwide submission of analysis procedures for proposed organizational changes and new positions has been finalized and is ready for top management review and approval.

Onsite assistance in classification matters has been provided the Phoenix Area Office; and an extensive assistance visit is scheduled for the Albuquerque Field Personnel Office. The criteria for an effective classification program were published, and classification authority for the control series was returned to four Area Directors (Juneau, Navajo, Phoenix, and Portland).

Classification guidelines were issued for Vocational Development Specialist GS–1715, Educational Aids/Technicians GS–1702, and Teachers GS–1710 (in the form of standard p.d.'s and evaluation reports in FES format). Work is proceeding in all the other occupational areas listed, in close coordination with the appropriate Central Office program managers whose names now appear on the Action Plan step pages. A policy statement on construction rates has been issued.

ADDITIONAL DEVELOPMENTS

Based on expressions made at the February 17 Commissioner's expanded staff meeting on the Action Plan, individual meetings were held by the Chief Personnel Officer and Project Manager with two Central Office Directors (Trust Responsibilities and Indian Services) and their top staffs to discuss the Action Plan. Other C.O. Directors are aware that such meetings may be scheduled at their request.

A position description and evaluation statement for the proposed Deputy Commissioner (Management) position agreed to under the Action Plan have been prepared and are being transmitted upwards through channels for review. The objective is to have this material ready for immediate use in any future Bureau plans.

PAUL LORENTZEN.

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Comments and participant resources
	Planned	Actual		
PF-1 AND PF-2: RESTATE THE ROLE OF THE PERSONNEL FUNCTION, AND ESTABLISH A PLANNING/WORK OBJECTIVES SYSTEM WITHIN IT				
Marc Helschler, Chief, Branch of Personnel Management Evaluation				
1. Schedule, select site of, and prepare agenda for 1st personnel division 2 to 3 day offsite communication meeting for problem identification, interfunctional coordination, and work objectives building.	Jan. 14, 1977	Jan. 14, 1977	Marc Herschler	Doug Rabel, Paul Lorentzen.
2. Hold personnel division offsite meeting with Director of Administration, Chief Personnel Officer, Assistant Chief, and 7 branch chiefs in attendance—resulting in list of operational problems and possible ways of solving them.	Jan. 24–26	Jan. 24–26	Paul Lorentzen (facilitator)	
3. Prepare individual branch work objectives and work plans including resources needed (monetary, travel, space, etc.).	Jan. 31, 1977	Feb. 7, 1977	Marc Herschler	Each branch chief division package to Mr. Zuni by Feb. 18.
4. Prepare individual branch revised statements of function and revised statement of function for division.	Feb. 28, 1977	Mar. 4, 1977	do	Each branch chief.
5. Develop the ongoing personnel division planning/work objectives system providing for periodic communication meetings, measurement of program progress, appropriate revision of work objectives and plans, etc.	Ongoing		do	
PF-3: PROVIDE BUREAU-WIDE COORDINATION WITHIN PERSONNEL FUNCTION				
Marc Herschler, Chief, Branch of Personnel Management Evaluation				
1. Establish and implement concept of "lead roles" in specific areas f the personnel function, by area office, based on offices' interests and concerns (see PF 4) and to avoid duplication of efforts.			do	Other personnel division branch chiefs April 4 other priorities delaying.
2. Establish a communication network within personnel function by (a) sharing all personnel division work plans with area personnel offices; (b) through "lead role" concept, informing area offices of major developments throughout Bureau in all functional areas; and (c) using normal telephone contacts for keeping abreast of problem identification and resolution.			do	Other personnel division branch chiefs.
3. Prepare for and conduct periodic personnel officer meetings during 1977 on specific functional topics (with those functional chiefs attending), using "lead role" concept to develop agendas.	Aug. 31, 1977, Dec. 31, 1977		do	Do.

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Comments and participant resources
	Planned	Actual		
PF-4: IMPROVE OPERATIONS AND WORK METHODS WITHIN PERSONNEL FUNCTION				
Marc Herschler, Chief, Branch of Personnel Management Evaluation				
1. Assist branch of personnel services, CO, in (a) responding to and taking actions on CSC evaluation report; (b) identifying work areas/methods in need of improvement, and developing plan for accomplishing same.	January 15, 1977	January 17, 1977	do	Branch chief. Response format developed; next response due March 17: May 17.
	March 31, 1977	March 2-30. April 4: Review made; specific action plan for improvement being developed by division leadership.	do	Branch chief.
2. Obtain list from area offices of (a) improved operational methods/techniques each is using, and (b) operational problem/concern areas in need of improvement.	January 31, 1977	March 17, 1977. April 4: Submissions being reviewed within division of personnel management.	do	Memo sent to field January 31; reply deadline February 28.
3. Develop work plan for conducting improved operational methods/techniques studies and instituting such improvements bureau-wide.	February 28, 1977		do	PME branch staff members.
4. Conduct technical assistance visits to various offices	Ongoing		do	Other division personnel.
(a) Muskogee area personnel office	February 14-18	February 14-18	do	J. DeFrance and L. Bayhylle.
(b) Albuquerque field personnel office	March 31, 1977	April 18 to May 6	do	2 classifiers, 1 staffing specialist, 1 employment relations specialist.
5. Coordinate timing of assistance by other branches to area offices		Ongoing	do	Other branch chiefs.
PF-5: CONDUCT A PERSONNEL MANAGEMENT EVALUATION PROGRAM				
Marc Herschler, Chief, Branch of Personnel Management Evaluation				
1. Develop schedule of 3 to 4 PME's to be conducted during 1977—considering possibility that some may become more oriented toward assistance visits than strictly evaluations.	January 31, 1977	Mar. 28, 1977	do	Other personnel division branch chiefs.
2. Conduct PME's	Ongoing		do	Branch of PME staff members and other division members as assigned; area personnel office staff as assigned.
Billings area office	August 1977		do	
Phoenix area office	October 1977		do	
Sacramento area office	January 1978		do	
Juneau area office	June 1978		do	

HR-1: DEVELOPMENT AND START OPERATING A MANPOWER FORECASTING SYSTEM

Pattie L. Fulgham, Chief, Branch of Staffing and Manpower

1. Recruit and hire from another agency (on 1-yr reimbursable detail) a project leader to (a) produce immediate ball park numerical estimates for Indian intake-and-development program, and (b) design and install ongoing system.	Feb. 28, 1977	Feb. 24	Pattie Fulgham (David Rector, EPA, starts 3 mo. assignment on Apr. 4 as part of his FEDP program.	Louis D. Bayhylle, Jr., Paul Lorentzen.
1A. Prototype manpower study of realty GS-1170 conducted	February–April 1977		Trust response funded project conducted by Dr. T. Taylor.	
2. Obtain information on anticipated program trends/levels the next 2 to 3 yrs.			Project leader	Financial management specialist, designated area and CO managers.
3. Determine specific occupational fields/types of positions "significant."			do	
4. Obtain available statistics from computer regarding past projected attrition rates in these occupational fields.			do	Employee data and compensation personnel.
5. Produce ball park numerical estimates of manpower needs by significant occupational fields.	May 15, 1977		do	
6. Design method for capturing periodic program information	June 30, 1977		do	To be determined later.
7. Revise/expand computer base/capability	Aug. 31, 1977		do	Do.
8. Install operational manpower forecasting system	Oct. 31, 1977		do	Do.
9. Monitor system performance	Dec. 31, 1977, and ongoing		do	Do.

HR-2: DEVELOP AND START OPERATING A CENTRALIZED SKILLS INVENTORY/INDIAN AFFAIRS JOBS-AVAILABLE SYSTEM INVOLVING PRO-ACTIVE, OUTREACH RECRUITMENT

Pattie L. Fulgham, Chief, Branch of Staffing and Manpower

1. Recruit and hire from another agency (on 1-yr reimbursable detail) a project leader to develop (a) a Bureau positive recruitment system, (b) a centralized Indian Affairs jobs available listing, and (c) a centralized Indian skills inventory.	Apr. 30, 1977		Pattie Fulgham (project leader candidate identified, Nate Shinderman, for 3 mo. assignment; funding expected by April 30).	Louis D. Bayhylle, Jr., Paul Lorentzen.
2. Determine occupational fields to be concentrated upon			Project leader	
3. Prepare specific work plans for (a) above	July 31, 1977		do	
4. Determine additional staff (numbers and kinds) needed to accomplish work plans, recruit and hire on reimbursable detail basis.	Apr. 30, 1977		do	

Action plan step/Responsible official/Elements	Time (NLT) Planned	Time (NLT) Actual	Leader	Comments and participant resources
HR-3: DEVELOP AND OPERATE AN INDIAN INTAKE AND DEVELOPMENT PROGRAM				
Pattie L. Fulgham, Chief, Branch of Staffing and Manpower				
1. Obtain from area offices complete inventory of Indian participants in present training/development programs, by occupational field and grade level (including cooperative education, bridge to professions, field management development training, and management understudy programs).	Mar. 15, 1977		Paul Lorentzen	Employment development specialist.
2. Develop guidelines for improved bureauwide utilization and coordination of these programs during the "interim" (i.e., through October 1978).	Mar. 31, 1977		do	Mercedes Lewis and employment development specialist.
2A. Provide rough estimates and narrative for fiscal year 1979 budget presentation based on statistical analysis.		Mar. 9, 1977	do	
3. Based on numerical estimates of manpower needs in significant occupational fields (resulting from HR-1), determine estimated 1st year cost of Indian intake-and-development program for budget and ceiling justifications.	May 15, 1977		do	Financial management specialist
4. Develop basic requirements for program entrance	June 30, 1977		do	Mercedes Lewis.
5. Develop program publicity and contact network for locating candidates.	Sept. 30, 1977		do	Project leader of HR-2.
6. Develop application, screening, and selection procedures	Dec. 30, 1977		do	Mercedes Lewis.
7. Develop work plan for bringing on board 1st intake class by October 1978.	do		do	Mercedes Lewis and employment development specialists.
HR-4: TAKE STEPS TO GROW INDIAN CANDIDATES FOR TECHNICAL/SPECIALIST POSITIONS (I.E. ENGINEERS, FORESTERS, ETC.)				
Pattie L. Fulgham, Chief, Branch of Staffing and Manpower				
1. Establish field task force of managers, to meet for a week in central office in April, to develop a work plan together with the CO directorates concerned (administration, education, tribal resources, and trust responsibilities).	Apr. 31, 1977 (March 9 and March 22 memos to participants provided basic logistics and statistical information for April 19-21 scheduled meeting. Meeting agenda to be developed April 5).		Mercedes Lewis	Central office directorate representatives: John Gordon/Delores Roullier (200), Bob Fleak (300), Jay Sungee (400), Bill Demmert/Leroy Falling (500). Field task force members: Richard Drapeaux, deputy AD, Aberdeen; Dan Sahmaunt, educational program administration, Anadarko; Alonzo Spang, chief, Indian service, Billings; Charles Toyebo, community service officer, Sacramento; Robert Walker, Financial officer, Albuquerque; Otto Karl Weaver, chief, land operations, Navajo.

HR-5: ISSUE POLICY GUIDELINES ON APPLICATION OF INDIAN PREFERENCE (RESTRUCTURING AND READVERTIZING POSITION)

Pattie L. Fulgham, Chief, Branch of Staffing and Manpower

1. Prepare and issue guidelines in the form of a spotlighted expansion and explanation of the area of consideration and job redesign paragraphs of 44 BIAM 335, Promotion and Internal Placement.	Apr. 30, 1977		Marlee Benecke	Draft being revised in Division of Personnel Management.

HR-8: DEVELOP QUALIFICATION STANDARDS/GUIDELINES FOR MAJOR TYPES OF POSITIONS

Pattie Fulgham,,Chief, Branch of Staffing and Manpower

1. Determine whether X-118 qualification standards are suitable as is for the following Bureau positions:				
GS-1715: Vocational development specialist	Jan. 31, 1977	Feb. 10, 1977	Mercedes Lewis	John Jollie and Ed Lentz. Will need quality standard guideline.
GS-950: Tribal operations officer (coordinate with classification re series determination).	May 30, 1977		Joyce Branch	Dennis Peterson.
2. Develop draft quality standard/guideline for (in each case steps to be taken include: (1) Obtaining comments on draft from CO program officials; (2) making informal contacts on drafts with department and CSC; (3) sending drafts to areas, unions, and tribes for comment; (4) making necessary revisions based on comments; (5) sending final standard/guideline to department/CSC for approval:				
GS-083: Policeman (excepted standard); draft developed	Feb. 28, 1977	Mar. 8, 1977	Dennis Renville, staffing specialist, Aberdeen, Joyce Branch.	Gene Suarez, discussions started.
GS-1101: Housing development officer (single-agency standard); draft developed.	do	Mar. 11, 1977	Richard Slater, PO Albuquerque, Joyce Branch.	Ron Peake, discussions started.
GS-301: Area director (single-agency standard); draft developed.	do	Mar. 22, 1977	Wm. Finale, AD, Sacramento, Joyce Branch.	
GS-340: Superintendent (single-agency standard); draft developed.	do		D. Waldrip, AAD, Portland Joyce Branch.	
GS-1715: Vocational development specialist (qualification standard guideline); draft developed.	Apr. 30, 1977		Mercedes Lewis	John Jollie and Ed Lentz.
3. Solicit recommendations from areas for any additional qualification standards/guidelines needed.	July 31, 1977		Joyce Branch	

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Comments and participant resources
	Planned	Actual		
HR-9: IMPROVE PROCEDURES FOR DETERMINING ELIGIBILITY AND QUALIFICATIONS FOR SPECIFIC VACANCIES				
Pattie Fulgham, Chief, Branch of Staffing and Manpower				
1. Prepare and issue policy guidelines on general acceptability considerations and selective placement factors—in the form of a revision of the qualification determination of applicants for positions in BIA memo and an expansion of the determining basic eligibility paragraph of 44 BIAM 335, Promotion and Internal Placement—to be used in announcing and filling vacancies.	Apr. 30, 1977		Joyce Branch	Draft completed and being revised in division of personnel management.
2. Develop training program in how to use Handbook X-118 in making qualification determinations.	Mar. 31, 1977		do	Draft completed and being reviewed in branch of employee development.
3. Identify and select 8 to 10 instructors (staffing specialists)	May 30, 1977		Pattie Fulgham	
4. Train instructors by conducting a pilot session in central office			Joyce Branch	
5. Develop schedule of bureauwide training sessions and use of the instructors.			do	
6. Monitor and evaluate several sessions			do	
7. Obtain recommendations from areas on revision/improvements needed in use of promotion panels, assessment forms and ranking procedures in 44 BIAM 335.	July 31, 1977		Marlee Benecke	
8. Develop work plan to accomplish above revisions/improvements			do	
HR-10: REISSUE UPDATED POLICY GUIDELINES FOR TRIBAL CONSULTATION ON PERSONNEL SELECTIONS				
Pattie Fulgham, Chief, Branch of Staffing and Manpower				
1. Draft guidelines statement	Feb. 15, 1977	Feb. 10, 1977	Joyce Branch	
2. Have draft reviewed by central office management and revise/refine with the help of field task force.	Mar. 1, 1977	Feb. 22-24	do	James Canan, AD, Billings; Emmett Cameron, admin. officer, Minneapolis; Ed McCabe, Superindentent, Navajo.
3. Send resulting draft guidelines to areas, unions, and tribes for comment.	Mar. 15, 1977	Mar. 9, 1977	do	
4. Recieve comments back in central office	May 1, 1977		do	
5. Prepare and issue final guidelines	June 30, 1977		do	

HR-11A: ESTABLISH IMPROVED POLICIES AND PROCEDURES FOR POSITION MANAGEMENT AND ORGANIZATIONAL STRUCTURE

James DeFrance, Chief, Branch of Classification

1. Draft policy letter containing front-end submission and analysis procedures to be followed bureauwide on (a) proposed organizational changes and (b) proposed new position/upgrading—involving coordinated review by budget, management analysis and personnel functions; types of justification documents needed, etc.	Jan. 15, 1977	Jan. 12	James DeFrance	
2. Obtain CO review and comments on draft	Jan. 31, 1977	Feb. 7	do	Comments being reviewed together with M.R. & E. and financial management.
3. Obtain comments from area directors	Feb. 28, 1977 (finalized in BIAM format for Commissioner's signature).			
4. Issue final policy letter, and start operating accordingly	Apr. 15, 1977		do	
5. Prepare and issue revised BIAM chapter covering position management and classification policies (e.g., use of evaluation statements, cyclic audit operations, etc.).	ASAP after departmental chapter issued.		Gene Adams	Draft revised departmental chapter received late December. Bureau comments to department on Jan. 28, 1977. Department will issue 2d draft using BIA comments.

HR-11B: DEVELOP INITIAL MANPOWER/STAFFING STANDARDS, AND IMPROVED EMPLOYMENT CEILING OPERATIONAL PROCEDURES

James DeFrance, Chief, Branch of Classification

1. Review submissions from area offices re manpower/staffing standards needed (attachment 3 of Phoenix meeting report).	Other priorities have delayed work on this project; work expected to commence in April.		Bill Furlong	M.R. & E. area office submissions available Feb. 4, 1977.
2. Based thereon, prepare work plan for developing several pilot manpower/staffing standard projects, including the GS-200 field.			do	M.R. & E.
3. Prepare and issue policy guidelines on coordination between budget and personnel functions in employment ceiling operations and on using the flexibilities of the system.			do	Financial management.

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Comments and participant resources
	Planned	Actual		
HR-11C: CONTINUE TO PROVIDE TECHNICAL ASSISTANCE IN POSITION CLASSIFICATION/MANAGEMENT TO THE FIELD				
James DeFrance, Chief, Branch of Classification				
1. Conduct model supervisory training for managers and supervisors in central office, in position management and factor evaluation system (FES); and make course content available to area offices.	Jan. 11, 1977	Jan. 10-11, Jan. 17-18	Gene Adams	Douglas Rabel.
	June 30, 1977			Material being prepared.
2. Provide continuing assistance to Aberdeen Personnel Office (every other month) (see PF 4).	Feb. 28, 1977, and ongoing	Feb. 7-11	Gene Adams	
3. Help selected area offices with position classification operations (see PF 4).	Jan. 31, 1977, and ongoing			
Billings area personnel office		Jan. 24–Feb. 4	Bill Furlong and Frank DeKona.	
Albuquerque area personnel office		Jan. 24–27	Bill Furlong	
Phoenix area personnel office	Mar. 31, 1977	Mar. 28–Apr. 8	Bill Furlong and Frank DeKona.	
Portland and Aberdeen area personnel offices	May 31, 1977			
Navajo area personnel office	June 30, 1977			
4. Participate in technical assistance visits to: (see PF 4)	Ongoing			Branch staff members.
(a) Muskogee area personnel office	Feb. 14–18	Feb. 14–18	Jim DeFrance	
(b) Albuquerque field personnel office	Apr. 18–May 6		Jim DeFrance, Curt Stende, and Gene Adams.	
5. Prepare for and conduct bureauwide position management/classification conference (review effectiveness of guidelines and procedures, facilitate interchange of ideas on position management operations in area offices, identify further work areas for policy and technical assistance, etc.) (see PF 3).	July 31, 1977		Jim DeFrance	Do.
HR-11D: CONDUCT AND COMPLETE VARIOUS POSITION CLASSIFICATION AND WAGE ADMINISTRATION STUDIES AND PROJECTS				
James DeFrance, Chief, Branch of Classification				
1. Vocational development specialist GS–1715: Issue position classification guideline firming up use of GS–1715 series and providing grade level/position management guidance.	Feb. 28, 1977	Mar. 28, 1977	Bill Furlong	John Jollie and Ed Lantz draft prepared and discussed at vocational development conference January 19.
2. Educational aids and technicians GS–1702: Issue position classification guideline providing grade level guidance for nonsupervisory positions, and standard p.d.'s.	Mar. 15, 1977	do	Frank DeKona and Lois Rafalko.	Ed Marich.

3. Wage grade jobs: Review policies and procedures related to construction rates, and issue policy statement.	Do	Mar. 4, 1977	Wanda Byram	
4. Tribal operations office GS-301/950: Coordinate with qualification standards study (HR-8) re use of GS-950 series, and issue position classification guidelines.	Feb. 28, 1977, May 30, 1977	March 1977	Bill Furlong and Frank DeKona	Dennis Peterson.
5. Housing development office GS-1101: Prepare rationale for use of GS-1101 series, and guidelines for classification by cross-referencing other standards—then coordinate with qualification standard project (HR-8) for July 15, 1977 issuance.	July 15, 1977		Gene Adams	Ron Peake. Discussions have started; staffing input has been reviewed.
6. Road engineer GS-810: Continue study to determine if Bureau of Public Roads classification guideline is applicable to BIA positions and, if so, issue same as Bureau guideline. (If not, develop schedule for guideline project, and conduct same.)	Mar. 31, 1977	Mar. 28, 1977	do	Jerry Swigart and Bob Hemmes. Determination made that BIA guideline needed; work has started.
7. Law enforcement positions: Prepare detailed work plan for designing a career system covering guards, policemen, detectives, and criminal investigators—including grade level distinctions and relationships with other law enforcement bodies (i.e., FBI, State, and tribal enforcement bodies).	June 30, 1977		Jack Maritn	Gene Suarez. Field trip Mar. 21–Apr. 1 conducted in Brigham City, Aberdeen, Phoenix, and Albuquerque areas.
8. Social workers GS-185: Prepare and issue position classification guideline summarizing grade level distinctions.	do		Kurt Stende	Joe Holmes. March 4 request to areas for p.d.'s and evaluation statements, for April 1 submission.
9. Teachers GS-1710: Prepare and issue restatement of classification guidelines re GS-9 journeyman level versus GS-11 nonsupervisory positions, including model p.d.'s.	Apr. 30, 1977	Mar. 23, 1977	Bill Furlong and Gene Platt	Ed Marich. Standard p.d.'s and evaluation reports in FES format issued.
10. Superintendent GS-340: Continue to prepare guideline for classifying positions (send redraft, based on field comments, out to field, obtain field comments back in central office, issue final guideline).			Frank DeKona	Branch staff members. Work to date indicates initial factors require revision and issuance of new draft guideline for comment.

HR-12: DEVELOP AND CONDUCT COMMUNICATION WORKSHOPS ON PERSONNEL MANAGEMENT

Douglas Rabel, Chief, Branch of Employee Development

1. Develop workshop format and prepare initial draft of workshop guide.	Feb. 28, 1977		Doug Rabel	Dick Gubbins and Judy Zundel Irene Fischer, Paul Lorentzen.
2. Refine format and guide with help of outside resource	Mar. 15, 1977		do	Training officer, Bureau of Reclamation.
3. Finalize format and guide with help of 3 area resource persons	Mar. 31, 1977	Mar. 22–24	do	Don Ross, Billings; Ed Rondeau, Portland; C. L. Hanson, Sacramento.
4. Identify and select (limited to 2 due to budget crunch) facilitators from within Bureau.	do	Apr. 1, 1977	do	Same as (1) above.
5. Train facilitators by conducting a pilot workshop	June 30, 1977		Paul Lorentzen	Paul Vaniman, APM, as critiquer.
6. Develop initial schedule of workshops and use of facilitators	Apr. 30, 1977	Apr. 1, 1977	Doug Rabel	2 trained facilitators.
7. Conduct workshops in all areas	July 1, 1977 and ongoing		do	Branch staff members.

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Comments and participant resources
	Planned	Actual		
G-5A: DEVELOP AND START CONDUCTING MANAGEMENT ORIENTATION FOR MANAGERS				
Douglas Rabel, Chief, Branch of Employee Development				
4. Identify instructors and get them trained	June 30, 1977		do	
5. Develop schedule cf orientation sessions and use of instructors	do		do	Instructors.
6. Monitor and evaluate several sessions	July 31, 1977, and ongoing.		do	
Apr. 4, 1977: During March discussions held with staff of division of self-determination and reps from contracting, resulting in agreement that the G-5A orientation will include and be coordinated with management training needed for operation under Public Law 93-638. Possibility of using internal BIA resources for course development now being explored.			do	Wayne Chattin, Jay Suagee, etc. Bon Kramer etc., Paul Lorentzen.
Development of Indian culture and history module starts		Apr. 4, 1977	do	John "Bud" Shepard, tribal government specialist.
G-5B: DEVELOP CAREER GUIDELINES/PATHWAYS FOR MAJOR TYPES OF MANAGEMENT POSITIONS				
Pattie Fulgham, Chief, Branch of Staffing and Manpower				
1. Recruit and hire from another agency (on reimbursable detail) a project leader. Work plan to include:	July 31, 1977		Pattie Fulgham	Louis Bayhylle, Paul Lorentzen, APM, CSC.
Determining specific types of management positions (e.g. area director, superintendent, etc.) which will be dealt with.				
Obtaining data on career pathways which present incumbents of these positions have followed.				
Developing draft career guidelines/pathways				
Sending drafts to appropriate managers and obtaining comments.				
Revising as necessary with help of manager task force and issue in final.				

MEMORANDUM

JUNE 17, 1977.

To: Acting Deputy Commissioner of Indian Affairs.
From: Project Manager.
Subject: Third Status Report on BIA's Action Plan for Personnel Management Improvement.

This status report covers developments from April 4 (the date of the last report) through June 16. Once again, the attached set of Action Plan step pages have been updated and constitute a complete package which can be substituted in its entirety for the present pages.

This will be the last report in this format. It is my intention to reassess the Action Plan this summer and reformat it in August so that: (1) All completed steps are summarized in one section; (2) All steps still being worked on are redescribed on new pages; and (3) All steps originally recommended and approved but not implemented are restated as to current need and priority based on an analysis of the information gained from my pending visits to 10 of the 12 Area Offices and discussion to be held with management and personnel officials in the Central Office. Thus a "clean," updated version of the Action Plan will be available by September for top management use.

The most important generalization that can be made about the work during the past 2½ months is that very extensive resources have been devoted to facing the severe problems in the operating personnel branches of the Central Office (D.C. and Albuquerque) and to effecting improvements; while those devoted to other aspects of the Action Plan in general have been less than sufficient to meet most deadlines and desired objectives. The exceptions to this generalization are detailed below.

A. PERSONNEL FUNCTION (PF 1–5)

Resources in this area have been devoted almost exclusively to providing assistance to the CO Branch of Personnel Services and the Albuquerque Field Personnel Office. In the Central Office, a 14-step action plan was developed and approved based on the review of the Branch made in March, and each of the other Branches in the Division is providing extensive assistance to the Acting Chief, Branch of Personnel Services, in implementing the many improvement items. The overall effort is coordinated through the device of an Action Plan Council consisting of the Branch Chiefs with the Chief Personnel Officer as chairman. Long-needed decisions are being made re the organization, staffing, work assignments, and work procedures of the Branch. Another 60-day response has also been transmitted to the CSC on its evaluation report of last August.

Similar massive assistance is being provided to the Albuquerque Field Personnel Office, starting with meetings by the Assistant Commissioner (Administration) and his top staff with the Albuquerque Division Chiefs, and including visits by the Departmental Director of Personnel; the Chief Personnel Officer; the Project Manager; and staffing, classification, and employee development specialists. Significant resources have also been obtained from the Albuquerque and Navajo Area Offices, and temporary help from selected retirees. Serving as the project manager in this effort, the Chief of Personnel Management Evaluation has developed an extensive action plan, discussed it with all management and personnel officials involved, and is using it as the basis for making the responses to the CSC on their evaluation report.

B. STAFFING AND MANPOWER (H.R. 1–5, 8–10)

David Rector's work in estimating the Bureau's manpower needs (HR 1) proceeded on a full-time basis starting April 4 for 1½ months. For the past month he has been assigned to the President's Reorganization Project, but expects to be able to continue the forecasting work on a part-time basis using the ADP data developed in Albuquerque and available just two days ago. Also, the Realty Personnel Study, GS–1170, was completed and submitted by Dr. Taylor on May 16 to the Office of Trust Responsibilities.

Our efforts to obtain the services of either a retired CSC official or a Bureau program official to tackle the positive recruitment program assignment (HR 2) have been unsuccessful. While we have submitted the plans and associated costs to Financial Management for budget purposes—for implementing the closely related manpower forecasting, recruiting, and Indian intake and development program (HR 3) action steps during FY 1978—the unavailability of sufficient people and money to proceed with these work assignments is raising a serious question of Bureau commitment and performance ability.

Based on the work accomplished during the April 19–21 task force meeting on "growing" more Indian candidates for natural resource and engineering occupations (HR 4), a report containing 11 recommendations was submitted to the Commissioner. On May 27 memos were sent to all Area and CO Directors requesting their comments in three weeks, and to all tribes for their reactions within three months.

Policy guidelines have now been issued on restructuring and readvertising positions (HR 5) and on qualification determinations of applicants (HR 9); while the guidelines for tribal consultation on personnel matters (HR 10) have been redrafted based on comments received. A training course for improving qualifications rating under Handbook X–118 is ready to be given to all staffing chiefs, who in turn will serve as trainers back in their respective Areas.

Work on drafting qualification standard guidelines has had to take second priority to other tasks. Still, development of guidelines for Tribal Operations Officer, GS–950, has commenced after the determination was made that the X–118 standard is appropriate for Bureau positions; and the excepted standard for Policeman, GS–083, has been sent to the field for comment.

C. TRAINING AND DEVELOPMENT (HR 12 & G 5A)

The first two personnel management communication workshops (HR 12) are being held for the Muskogee and Anadarko Area Offices on June 20–22 and 23–24 respectively, with Doug Rabel and Paul Lorentzen serving as facilitators. The workshops for all other Area Offices have been scheduled for the periods July 11–29 and August 8–12, with the two facilitators dividing up the schedule and the Chief Personnel Office joining several sessions. By the end of August similar workshops are expected to be held for the Eastern Area Office and the Central Office.

Based on discussions with Ted Krenzke on management training for managers (G 5A), work has proceeded in developing (a) Orientation for New Superintendents and (b) Orientation to Management for New Managers. A small work group of field and CO managers has been identified to meet within the next 1–2 months to finalize all details so that the first Superintendents orientation will be ready to be given in October. Much useful written material is being gathered for possible use in both orientations, and the cross-cultural awareness training module has been completed in draft form by Bud Shapard.

D. POSITION MANAGEMENT AND CLASSIFICATION (HR 11A–D)

Based on the criteria established in the Commissioner's letter of March 16, position classification authority was returned to the Sacramento and Albuquerque Area Offices. The Branch Chief also made brief orientation visits to the Albuquerque, Navajo and Phoenix Area Offices.

The BIAM policy material on organization planning and position management improvement procedures was signed May 11. A policy memo on maintaining accurate position descriptions was issued June 2. Other policy/guideline material being developed for issuance shortly covers accretion of duties as an exception to merit promotion, classification procedures to be followed in contracting situations, and distinguishing between new and successor positions.

Technical assistance efforts have concentrated heavily on the operating personnel branches in the Central Office and Albuquerque. Despite this major resource allocation, continuing work has been accomplished on classification guidelines for WG positions, Tribal Operations Officer GS–950, Law Enforcement positions, Social Workers GS–815, Superintendent GS–340, Administrative Officer/Manager GS–341, and Title Plant positions GS–963.

PAUL LORENTZEN.

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Comments and participant resources
	Planned	Actual		
PF-1 and PF-2: RESTATE THE ROLE OF THE PERSONNEL FUNCTION, AND ESTABLISH A PLANNING/WORK OBJECTIVES SYSTEM WITHIN IT				
Marc Herschler, Chief, Branch of Personnel Management Evaluation				
1. Schedule, select site of, and prepare agenda for 1st personnel division 2-3 day offsite communication meeting for problem identification, interfunctional coordination, and work objectives building.	Jan. 14, 1977	Jan. 14, 1977	Marc Herschler	Doug Rabel, Paul Lorentzen.
2. Hold personnel division offsite meeting with Director of Administration, Chief Personnel Officer, Assistant Chief, and 7 branch chiefs in attendance—resulting in list of operational problems and possible ways of solving them.	Jan. 24-26	Jan. 24-26	Paul Lorentzen (facilitator).	
3. Prepare individual branch work objectives and work plans including resources needed (monetary, travel, space, etc.).	Jan. 31, 1977	Feb. 7, 1977	Marc Herschler	Each branch chief division package to Mr. Zuni by Feb. 18.
4. Prepare individual branch revised statements of function and revised statement of function for division.	Feb. 28, 1977	Mar. 4, 1977	do	Each branch chief.
5. Develop the ongoing personnel division planning/work objectives system providing for periodic communication meetings, measurement of program progress, appropriate revision of work objectives and plans, etc.	Ongoing		do	
PF-3: PROVIDE BUREAU-WIDE COORDINATION WITHIN PERSONNEL FUNCTION				
Marc Herschler, Chief, Branch of Personnel Management Evaluation				
1. Establish and implement concept of "lead roles" in specific areas of the personnel function, by area office, based on offices' interests and concerns (see PF 4) and to avoid duplication of efforts.			Marc Herschler	Other personnel division branch chiefs. Apr. 4 Other priorities delaying.
2. Establish a communication network within personnel function by (a) sharing all Personnel Division work plans with area personnel offices; (b) Through "lead role" concept, informing area offices of major developments throughout bureau in all functional areas; and (c) Using normal telephone contacts for keeping abreast of problem identification and resolution.			do	Other personnel division branch chiefs.
3. Prepare for and conduct periodic personnel officer meetings during 1977 on specific functional topics (with those functional chiefs attending), using "lead role" concept to develop agendas.	Aug. 31, 1977 Dec. 31, 1977		do	Other personnel division branch chiefs.

Action plan step/Responsible official/Elements	Time (NLT) Planned	Time (NLT) Actual	Leader	Comments and participant resources
PF-4: IMPROVE OPERATIONS AND WORK METHODS WITHIN PERSONNEL FUNCTION				
Marc Herschler, Chief, Branch of Personnel Management Evaluation				
1. Assistant branch of personnel services, C.O., in (a) Responding to and taking actions on CSC evaluation report; (b) Identifying work areas/methods in need of improvement, and developing plan for accomplishing same.	Jan. 15, 1977	Jan. 17, 1977	Marc Herschler	Branch chief. Response format developed; next response due Mar. 17, May 1.
	Mar. 31, 1977	Mar. 2–30, Apr. 4: Review made; specific Action Plan for improvement being developed by Division leadership. June 16: Action Plan Council and Acting Branch Chief implementing 14-step action plan.	do	Branch Chief.
2. Obtain list from area offices of (a) improved operational methods/techniques each is using, and (b) operational problem/concern areas in need of improvement.	Jan. 31, 1977	Mar. 17, 1977 Apr. 4: Submissions being reviewed within Division of PM. June 16, Material being used by individual Branches.	do	Memo sent to field Jan. 31; reply deadline Feb. 28.
3. Develop work plan for conducting improved operational methods/techniques studies and instituting such improvements Bureau-wide.	Feb. 28, 1977		do	PME Branch staff members.
4. Conduct technical assistance visits to various offices	Ongoing		do	Other Division personnel.
(a) Muskogee Area Personnel Office	Feb. 14, 1918	Feb. 14–18	do	J. DeFrance and L. Bayhylle.
(b) Albuquerque Field Personnel Office	Mar. 31, 1977	Apr. 18–May 6, June 16, Action Plan developed and being implemented with the help of resources from Division of Personnel Management, Albuquerque and Navajo Area Offices, etc.	do	2 classifiers, 1 staffing spec., 1 employee development specialist.
5. Coordinate timing of assistance by other Branches to Area Offices		Ongoing	do	Other Branch chiefs.

PF-5: CONDUCT A PERSONNEL MANAGEMENT EVALUATION PROGRAM

Marc Herschler, Chief, Branch of Personnel Management Evaluation

1 Develop schedule of 3-4 PME's to be conducted during 1977—considering possibility that some may become more oriented towards assistance visits than strictly evaluations.	Jan. 31, 1977	Mar. 28, 1977	Marc Herschler	Other personnel division branch chiefs.
Conduct PME's	Ongoing		do	Branch of PME staff members—and other division members as assigned; area personnel office staff as assigned.
Billings area office	August 1977		do	
Phoenix area office	October 1977		do	
Sacramento area office	January 1978		do	
Juneau area office	June 1978		do	

HR-1: DEVELOP AND START OPERATING A MANPOWER FORECASTING SYSTEM

Pattie L. Fulgham, Chief, Branch of Staffing and Manpower

1 Recruit and hire from another agency (on one-year reimbursable detail) a project leader to (a) produce "immediate ballpark" numerical estimates for Indian intake-and-development program, and (b) design and install ongoing system.	Feb. 28, 1977	Feb. 24	Pattie Fulgham (David Rector, EPA, starts 3 months assignment on April 4 as part of his FEDP program).	Louis D. Bayhylle, Jr., Paul Lorentzen.
1A. Prototype manpower study of realty GS-1170 conducted	February-April 1977		Trust Resp. funded project conducted by Dr. T. Taylor; final report May 16, 1977.	
2. Obtain information on anticipated program trends/levels the next 2-3 years			Project Leader	Financial management specialist Designated area and C.O. managers.
3. Determine specific occupational fields/types of positions "significant"	June 30, 1977		do	
4. Obtain available statistics from computer regarding past projected attrition rates in these occupational fields.	June 30, 1977		do	Employee Data and Compensation personnel.
5. Produce "ballpark" numerical estimates of manpower needs by "significant" occupational fields.	July 15, 1977		do	
6. Design method for capturing periodic program information			do	To be determined later.
7. Revise/expand computer base/capability			do	Do.
8. Install operational manpower forecasting system			do	Do.
9. Monitor system performance	Ongoing		do	Do.

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Comments and participant resources
	Planned	Actual		
HR-2: DEVELOP AND START OPERATING A CENTRALIZED SKILLS INVENTORY/INDIAN AFFAIRS JOBS-AVAILABLE SYSTEM INVOLVING PRO-ACTIVE, OUTREACH RECRUITMENT				
Pattie L. Fulgham, Chief, Branch of Staffing and Manpower				
1. Recruit and hire from another agency (on one-year reimbursable detail) a project leader to develop: (a) a bureau positive recruitment system; (b) a centralized Indian Affairs jobs available listing; and (c) a centralized Indian skills inventory.	Apr. 30, 1977		Pattie Fulgham (Project leader candidate identified, Nate Shinderman for 3 mos. assignment; funding expected by Apr. 30).	Louis D. Bayhylle, Jr., Paul Lorentzen.
2. Determine occupational fields to be concentrated upon			Project Leader	June 16: Mr. Shinderman declined. Efforts to obtain bureau program official unsuccessful.
3. Prepare specific work plans for (a), above			do.	
4. Determine additional staff (numbers and kinds) needed to accomplish work plans, recruit and hire on reimbursable detail basis.			do.	
HR-3: DEVELOP AND OPERATE AN INDIAN INTAKE-AND-DEVELOPMENT PROGRAM				
Pattie L. Fulgham, Chief, Branch of Staffing and Manpower				
1. Obtain from Area Offices complete inventory of Indian participants in present training/development programs, by occupational field and grade level (including Cooperative Education, Bridge to Professions, Field Management Development Training, and Management Understudy Programs).			Paul Lorentzen	Employment development specialists.
2. Develop guidelines for improved Bureauwide utilization and coordination of these programs during the "interim" (i.e., through October 1978).			do.	Mercedes Lewis and employment development specialists.
2A. Provide rough estimates and narrative for FY 79 budget presentation based on statistical analysis.		Mar. 9, 1977	do.	
3. Based on numerical estimates of manpower needs in "significant" occupational fields (resulting from HR-1), determine estimated first-year cost of Indian intake-and-development program for budget and ceiling justifications.			do.	Financial management specialist.
4. Develop basic requirements for program entrance			do.	Mercedes Lewis.
5. Develop program publicity and contact network for locating candidates			do.	Project leader of HR-2.
6 Develop application, screening, and selection procedures			do.	Mercedes Lewis.
7. Develop work plan for bringing on board first intake "class" by October 1978			do.	Mercedes Lewis and employment development specialists.

HR-4: TAKE STEPS TO GROW INDIAN CANDIDATES FOR TECHNICAL/SPECIALIST POSITIONS (I.E. ENGINEERS, FORESTERS, ETC.)

Pattie L. Fulgham, Chief, Branch of Staffing and Manpower

1. Establish field task force of managers, to meet for a week in Central Office in April, to develop a work plan together with the C.O. Directorates concerned (Admin., Education, Tribal Resources, and Trust Responsibilities).	Apr. 31, 1977		Mercedes Lewis	*Central Office Directorate representatives.
	(March 9 and March 22, memos to participants provided basic logistics and statistical information for Apr. 19–21, scheduled meeting. Meeting agenda to be developed Apr. 5.)			Field task force members: Richard Drapeaux, deputy administrator, Aberdeen; Dan Sahmaunt, Educational Program Administrator, Anadarko; Alonzo Spang, chief, Indian Services, Billings; Charles Toyebo, Community Service Officer, Sacramento; Robert Walker, Financial Officer, Albuquerque; Otto Karl Weaver, Chief, Land Operations, Navajo. *John Gordon/Delores Roullier (200), Bob Fleak (300), Jay Suagee (400), Bill Demmert/Leroy Falling (500).
		May 13		Report of Apr. 19, 1921 meeting submitted to Commissioner.
		May 27		Memo from commissioner to area and CO directors with recommendations and request for comments by June 20. Also similar memo sent to all tribes for comment by Aug. 27.

HR-5: ISSUE POLICY GUIDELINES ON APPLICATION OF INDIAN PREFERENCE (RESTRUCTURING AND READVERTISING POSITIONS)

Pattie L. Fulgham, Chief, Branch of Staffing and Manpower

1 Prepare and issue guidelines in the form of a "spotlighted" expansion and explanation of the "Area of Consideration" and "Job Redesign" paragraphs of 44 BIAM 335, Promotion and Internal Placement.	Apr. 30, 1977	May 26, 1977	Marlee Benecke	Draft being revised in Division of Personnel Management.
		June 9, 1977		Bureauwide memo issued for use with all non-Indian applicants re Indian preference policy and resultant limited career opportunities for non-Indians.

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Comments and participant resources
	Planned	Actual		
HR-8: DEVELOP QUALIFICATION STANDARDS/GUIDELINES FOR MAJOR TYPES OF POSITIONS				
Pattie Fulgham, Chief, Branch of Staffing and Manpower				
1. Determine whether X-118 qual. standards are suitable as is for the following Bureau positions:				
GS-1715: Vocational development specialist	Jan. 31, 1977	Feb. 10, 1977	Mercedes Lewis	John Jollie and Ed Lentz will need qualification standard guideline.
GS-950: Tribe operations officer (coordinate with Classif. re series determination)	May 30 1977	May 30, 1977	Joyce Branch	Dennis Peterson, X-118 standards determined suitable; guidelines now being developed.
2. Develop draft qual. standard/guideline for: (in each case steps to be taken include) (1) Obtaining comments on draft from C. O. program officials; (2) Making informal contacts on drafts with Dept. & CSC; (3) Sending drafts to Areas, unions, and tribes for comment; (4) Making necessary revisions based on comments; and (5) Sending final standard/guideline to Dept./CSC for approval.				
GS-083: Policeman (excepted standard); draft developed	Feb. 28, 1977	Mar. 8, 1977	Dennis Renville, staff specialist, Aberdeen, Joyce Branch.	Gene Suarez, discussions started. June 16, draft sent to field for comment.
GS-1101: Housing development officer (single-agency standard); draft developed	do	Mar. 11, 1977	Richard Slater, PO, Albuquerque, Joyce Branch.	Ron Peake, discussions started.
GS-301: Area director (single-agency standard); draft developed	do	Mar. 22, 1977	Wm. Finale, AD, Sacramento, Joyce Branch	
GS-340: Superintendent (single-agency standard); draft developed	do		D. Waldrip, AAD, Portland, Joyce Branch	
GS-1715: Vocational development specialist (quality standard guideline); draft developed	Apr. 30, 1977		Mercedes Lewis	John Jollie and Ed Lentz.
3. Solicit recommendations from Areas for any additional quality standards/guidelines needed	July 31, 1977		Joyce Branch	
HR-9: IMPROVE PROCEDURES FOR DETERMINING ELIGIBILITY AND QUALIFICATIONS FOR SPECIFIC VACANCIES				
Pattie Fulgham, Chief, Branch of Staffing and Manpower				
1. Prepare and issue policy guidelines on general acceptability considerations and selective placement factors—in the form of a revision of the "Qualification determination of applicants for positions in BIA" memo and an expansion of the "determining basic eligibility" paragraph of 44 BIAM 335, promotion and internal placement—to be used in announcing and filling vacancies.	Apr. 30, 1977	Apr. 12, 1977	Joyce Branch	Draft completed and being revised in division of personnel management.

2. Develop training program in how to use Handbook X-118 in making qualification determinations	Mar. 31, 1977	Mar. 31, 1977	do	Draft completed and being reviewed in Branch of Employment development.
3. Identify and select 8-10 instructors (staffing specialists)			Pattie Fulgham	June 16: Request sent 6/13 to Commissioner for bureauwide instructor training session week of 7/18 in Albuquerque.
4. Train instructors by conducting a pilot session in Central Office			Joyce Branch	
5. Develop schedule of bureau-wide training sessions and use of the instructors			do	
6. Monitor and evaluate several sessions			do	
7. Obtain recommendations from areas on revision/improvements needed in use of promotion panels, assessment forms and ranking procedures in 44 BIAM 335.	July 31, 1977		Marlee Benecke	
8. Develop work plan to accomplish above revisions/improvements			do	

HR-10: REISSUE UPDATED POLICY GUIDELINES FOR TRIBAL CONSULTATION ON PERSONNEL SELECTIONS

Pattie Fulgham, Chief, Branch of Staffing and Manpower

1. Draft guidelines statement	Feb. 15, 1977	Feb. 10, 1977	Joyce Branch	
2 Have draft reviewed by central office management and revise/refine with the help of field task force.	Mar. 1, 1977	Feb. 22,-24	do	James Canan, AD, Billings, Emmett Cameron, administrative officer, Minneapolis, Ed McCabe, superintendent, Navajo.
3. Send resulting draft guidelines to areas, unions, and tribes for comment	Mar. 15, 1977	Mar. 9, 1977	do	
4. Receive comments back in Central Office	May 1, 1977		do	June 16: Telegram sent May 27 to six areas who had not responded, revised draft may go out for recomment.
5. Prepare and issue final guidelines	July 31, 1977		do	

HR-11A: ESTABLISH IMPROVED POLICIES AND PROCEDURES FOR POSITION MANAGEMENT AND ORGANIZATIONAL STRUCTURE

James De France, Chief, Branch of Classification

1. Draft policy letter containing "front-end" submission and analysis procedures to be followed bureauwide on (a) proposed organizational changes and (b) proposed new position/upgrading—involving coordinated review by budget, management analysis and personnel functions; types of justification documents needed, etc.	Jan. 15, 1977	Jan. 12	James DeFrance	
2. Obtain C. O. review and comments on draft	Jan. 31, 1977	Feb. 7	do	Comments being reviewed together with MR&E and Financial Mgmt.

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Comments and participant resources
	Planned	Actual		
HR-11A: ESTABLISH IMPROVED POLICIES AND PROCEDURES FOR POSITION MANAGEMENT AND ORGANIZATION STRUCTURE—Continued				
James De France, Chief, Branch of Classification				
3. Obtain comments from area directors	Feb. 28, 1977 (Finalized in BIAM format for Commissioner's signature.)	Feb. 7	do.	
4. Issue final policy letter, and start operating accordingly	Apr. 15, 1977	May 11, 1977	do.	
5. Prepare and issue revised BIAM chapter covering position management and classification policies (e.g. use of evaluation statements, cyclic audic operations, etc.)	ASAP after departmental chapter issued.		Gene Adams	Draft revised departmental chapter received late Dec. Bureau comments to department on Jan. 28, 1977. Department will issue 2d draft using BIA comments.
6. Prepare and issue policy letter on importance of accuracy of position descriptions		June 6, 1977	James DeFrance	
7. Prepare and issue policy letter on accretion of duties as an exception to merit promotion	June 30, 1977		Gene Adams	
8. Prepare and issue policy letter on classification procedures to be followed in contracting situations.	June 30, 1977		do.	June 16, Final letter ready for Commissioner's signature,
9. Prepare and issue policy letter on new and successor positions	July 31, 1977		do.	
HR-11B: DEVELOP INITIAL MANPOWER/STAFFING STANDARDS, AND IMPROVED EMPLOYMENT CEILING OPERATIONAL PROCEDURES				
James DeFrance, Chief, Branch of Classification				
1. Review submissions from area offices re manpower/staffing standards needed (attachment 3 of Phoenix meeting report).	(Other priorities have delayed work on this project; work expected to commence in April).		Bill Furlong	M. R. & E., area office submissions available Feb. 4, 1977.
2. Based theron, prepare work plan for developing several pilot manpower/staffing standard projects, including the GS-200 field.			do.	M. R. & E.
3. Prepare and issue policy guidelines on coordination between budget and personnel functions in employment ceiling operations and on using the flexibilities of the system.			Curt Stende	Financial management, June 16, draft being prepared.

HR-11C: CONTINUE TO PROVIDE TECHNICAL ASSISTANCE IN POSITION CLASSIFICATION/MANAGEMENT TO THE FIELD

James DeFrance, Chief, Branch of Classification

1. Conduct model supervisory training for managers and supervisors in central office, in position management and factor evaluation system (FES); and Make course content available to area offices.	Jan. 11, 1977	Jan. 10-11, Jan. 17-18.	Gene Adams	Douglas Rabel.
2. Provide continuing assistance to Aberdeen personnel office (every other month) (see PF-4)	July 31, 1977, Feb. 28, 1977 and ongoing.	Feb. 7-11	Gene Adams	Material being prepared.
3. Help selected area offices with position classification operations: (see PF 4)	Feb. 31, 1977 and ongoing.			
Billings area personnel office		Jan. 24-Feb. 4	Bill Furlong and Frank DeKona.	
Albuquerque area personnel office		Jan. 24-27	Bill Furlong	
Phoenix area personnel office	Mar. 31, 1977	Mar. 28-Apr. 8	Bill Furlong and Frank DeKona.	
Portland and Aberdeen area personnel offices				
Navajo area personnel office				
4. Participate in technical assistance visits to: (see PF 4)				
(a) Muskogee area personnel office	Ongoing Feb. 14-18	Feb. 14-18	Jim DeFrance	Branch staff members.
(b) Albuquerque field personnel office	Apr. 18—May 6, July 11-21, July 25-Aug. 5.	Apr. 18-May 6, June 6-30.	Jim DeFrance, Curt Stende, Jim DeFrance, Gene Adams.	Curt Stende and Gene Adams.
5. Prepare for and conduct Bureauwide position management/classification conference (review effectiveness of guidelines and procedures, facilitate interchange of ideas on position management operations in area offices, identify further work areas for policy and technical assistance, etc). (See PF-3.)	Oct. 31, 1977		Jim DeFrance	Branch staff members,

HR-11D: CONDUCT AND COMPLETE VARIOUS POSITION CLASSIFICATION AND WAGE ADMINISTRATION STUDIES AND PROJECTS

James DeFrance, Chief, Branch of Classification

1. Vocational development specialist GS-1715: Issue position classification guideline firming up use of GS-1715 series and providing grade level/position management guidance.	Feb. 28, 1977	Mar. 28, 1977	Bill Furlong	John Jollie & Ed Lantz. draft prepared and discussed at vocational development conference Jan. 19.
2. Educational aids and technicians GS-1702: Issue position classification guideline providing grade level guidance for non-supervisory positions, and standard p.d.'s.	Mar. 15, 1977	Mar. 28, 1977	Frank DeKona	Lois Rafalko, Ed Marich.
3. Wage grade jobs: Review policies and procedures related to construction rates, and issue policy statement. Formats and guides for classification of WG positions issued.	Mar. 15, 1977	Mar. 4, 1977, May 27, 1977.	Wanda Byram and Jack Martin.	
4. Tribal operations officer GS-301/950: Coordinate with qualification standards study (HR 8) re use of GS-950 series, and issue position classification guidelines.	Feb. 28, 1977	Mar. 1977	Bill Furlong and Frank DeKona.	Dennis Peterson. Meeting with Mr. Peterson June 15 for final discussion of draft.

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Comments and participant resources
	Planned	Actual		
HR-11D: CONDUCT AND COMPLETE VARIOUS POSITION CLASSIFICATION AND WAGE ADMINISTRATION STUDIES AND PROJECTS—Continued				
James DeFrance, Chief, Branch of Classification				
5. Housing development officer GS–1101: Prepare rationale for use of GS–1101 series, and guidelines for classification by cross-referencing other standards—then coordinate with qualification standard project (HR 8) for July 15, 1977 issuance.	June 30, 1977		Gene Adams	Ron Peake. Discussions have started, staffing input has been reviewed.
6. Road engineer GS–810: Continue study to determine if Bureau of Public Roads' classification guideline is applicable to BIA positions and, if so, issue same as Bureau guideline. (If not, develop schedule for guideline project, and conduct same.)	Aug. 15, 1977, Mar. 31, 1977.	Mar. 28, 1977	do	Jerry Swigart and Bob Hemmes. Determination made that BIA guideline needed; work has started.
7. Law enforcement positions: Prepare detailed work plan for designing a career system covering guards, policemen, detectives, and criminal investigators—including grade level distinctions and relationships with other law enforcement bodies (i.e., FBI, State and tribal enforcement bodies.).	June 30, 1977		Jack Martin	Gene Suarez. Field trip Mar. 21–Apr. 1, conducted in Brigham City, Aberdeen, Phoenix and Albuquerque areas. June 16, draft p.d.'s and evaluation rationale completed.
8. Social Workers GS–185: Prepare and issue position classification guideline summarizing grade level distinctions.	July 31, 1977		Kurt Stende	Joe Holmes. Mar. 4, requested areas for p.d.'s and evaluation statements, for Apr. 1 submission. Comments in.
9. Teachers GS–1710: Prepare and issue restatement of classification guidelines re GS–9 journeyman level vs GS–11 non-supervisory positions, including mode. p.d.'s.	Apr. 30, 1977	Mar. 23, 1977	Bill Furlong and Gene Platt.	Ed. Marich. Standard p.d.'s and evaluation reports in FES format issued.
10. Superintendent GS–340: Continue to prepare guideline for classifying positions: Send redraft, based on field comments, out to field; Obtain field comments back in central office; and Issue final guideline.			Frank DeKona	Branch staff members Apr. 4: Work to date indicates initial factors require revision and issuance of new draft guideline for comment. June 16: Discussions proceeding re grade controlling factors, possibility of Asst. Supt. positions.
11. Administrative officer/manager GS–341: Prepare and issue classification guideline	Aug. 31, 1977		Gene Adams	Sample pd's and eval. statements rec'd 6/6. Managers of various CO program functions to be consulted.
12. Title plant positions GS–963: Prepare and issue classification guideline	July 31, 1977		Bill Furlong	Ken Fredericks. Field trip conducted 6/13–22 to Portland, Billings and Aberdeen.

HR-12: DEVELOP AND CONDUCT COMMUNICATION WORKSHOPS ON PERSONNEL MANAGEMENT

Douglas Rabel, Chief, Branch of Employee Development

1. Develop workshop format and prepare initial draft of workshop guide	Feb. 28, 1977		Doug Rabel	Dick Gubbins, Judy Zundel, Irene Fischer, and Paul Lorentzen.
2. Refine format and guide with help of "outside" resource	Mar. 15, 1977		Doug Rabel	Training officer, Bureau of Reclamation.
3. Finalize format and guide with help of 3 Area resource persons	Mar. 31, 1977	Mar. 22-24	Doug Rabel	Don Ross, Billings, Ed Rondeau, Portland, C. L. Henson, Sacramento.
4. Identify and select (limited to 2 due to budget "crunch") facilitators from within Bureau	Mar. 31, 1977	Apr. 1, 1977	Doug Rabel	Same as (1) above.
5. Train facilitators by conducting 2 pilot workshops (Muskogee and Anadarko)	June 30, 1977	June 20-24	Paul Lorentzen, Doug Rabel.	
6. Develop initial schedule of workshops and use of facilitators	Apr. 30, 1977	Apr. 1, 1977	Doug Rabel	Two trained facilitators.
7. Conduct workshops in all Areas	July 1, 1977, and ongoing.		Doug Rabel, Paul Lorentzen.	Lou Bayhylle.

G-5A: DEVELOP AND START CONDUCTING MANAGEMENT ORIENTATION FOR MANAGERS

Douglas Rabel, Chief, Branch of Employee Development

1. Identify and select an outside resource person/organization to develop course format and content.	Jan. 31, 1977	Feb. 10, 1977	Doug Rabel	Paul Lorentzen.
2. Effect contract with same			do	Financial Management.
3. Obtain product from same			do	Contractor.
4. Identify instructors and get them trained			do	Do.
5. Develop schedule of orientation sessions and use of instructors			do	Instructors.
6. Monitor and evaluate several sessions	July 31, 1977, and ongoing.		do	
Apr. 4, 1977: During March discussions held with staff of division of self-determination and reps from contracting, resulting in agreement that the G-5A orientation will include and be coordinated with management training needed for operation under Public Law 93-638. Possibility of using internal BIA resources for course development now being explored.			do	Wayne Chattin, Jay Suagee, etc. Ron Kramer, etc. Paul Lorentzen.
Development of Indian culture and history module starts; draft module finished June 10, 1977.		Apr. 4, 1977	do	John "Bud" Shapard, tribal government specialist.
June 16, 1977: Development of two orientation packages proceeding, for new Superintendents and for new managers. Small work group of field and CO managers to finalize details so that first sessions can be held this fall.			do	Paul Lorentzen, field and CO managers.

Action plan step/Responsible official/Elements	Time (NLT)		Leader	Comments and participant resources
	Planned	Actual		
G-5B: DEVELOP CAREER GUIDELINES/PATHWAYS FOR MAJOR TYPES OF MANAGEMENT POSITIONS				
Pattie Fulgham, Chief, Branch of Staffing and Manpower				
1. Recruit and hire from another agency (on reimbursable detail) a project leader. Work plan to include: Determining specific types of management positions (for example, Area Director, Superintendent, etc.) which will be dealt with. Obtaining data on career pathways which present incumbents of these positions have followed. Developing draft career guidelines/pathways. Sending drafts to appropriate managers and obtaining comments. Revising as necessary with help of manager task force and issue in final.	July 31, 1977		Pattie Fulgham	Louis Bayhylle and Paul Lorentzen, APM and CSC.

U.S. DEPARTMENT OF THE INTERIOR, BUREAU OF INDIAN AFFAIRS,
Washington, D.C., September 2, 1977.

MEMORANDUM

To: Acting Deputy Commissioner.
From: Project Manager to the Commissioner.
Subject: Reassessment of BIA's Action Plan for Personnel Management Improvement: A Plan to Turn BIA into an Effectively Managed Instrument for Serving Indian Affairs.

Management of the Bureau of Indian Affairs is characterized by lack of accountability, responsibility, discipline, respect and morale. Bureau management, program and personnel officials themselves identify and exemplify the same severe internal management problems today as they did a year ago when the Action Plan for Personnel Management Improvement was developed and adopted for implementation. The recent reports of the American Indian Policy Review Commission, the House Committee on Appropriations, the House Investigation on School Construction and Maintenance Programs, and of the U.S. Civil Service Commission all reach similar conclusions regarding the need for drastic improvements in Bureau management.

This timely reassessment of the current Action Plan has again made it apparent that no *basic* improvements will occur in Bureau human resource and personnel function management until these *general* management problems are addressed. These problems relate to:

Clarified mission and program objectives;
Accountable program planning and evaluation;
Responsible organizational structures and manpower allocation/utilization;
Disciplined communications; and
Respectful conduct and program commitment.

These principles of management are generally absent in Bureau operations, and the concepts are even foreign to the thinking of many Bureau personnel.

With new top management leadership, an opportunity now presents itself to turn the Bureau around so that it becomes a more effectively managed instrument for meeting the needs of the Indian people rather than continuing to frustrate the attainment of program objectives because of the Bureau's own institutional problems. A three-pronged Action Plan addressing fundamental improvement needs in general management, human resource management, and personnel function management has been developed, is outlined in the table of contents, and described in the attached report. Again, this Action Plan in no way claims to or does address all problem areas of Bureau internal management. But it does include those considered the most basic and severe, as viewed by the Bureau's own management, program and personnel officials. The Assistant Secretary for Indian Affairs (Designate) indicated that he wanted this reassessment report as soon as possible, and with specific recommendations regarding who, how and when for implementation. In addition to such specificity, another objective from the beginning was to make the reassessment report so comprehensive that it replaced (except for historical purposes) and expanded upon the 1976 report. Hence appendices have been included which list all specific actions in timetable format, and refer to persons and groups with specific skills and responsibilities for implementation. Hence, also, the extensive use made of quotations from last year's report.

A basic change in management values, expectations, sense of commitment, and behavior must now start for these steps to move from paper to reality. The main ingredients missing so far have been an understanding of management concepts, a sense of responsibility ownership, an ability to risk confronting and deciding problem issues, and a sense of urgency. Behavior modeling these leadership traits in the internal management of the Bureau must now become standard.

By calling upon those 30–40 Bureau employees readily identifiable as being knowledgeable of management and committed to its improvement, top management can form the working nucleus of needed Bureau expertise for the various task force and project teams which will develop and start implementing the step-by-step operational improvement programs now called for in the general management area; and provide the needed revitalized commitment, direction and leadership in the human resource and personnel function management areas.

To be realistic, it must be recognized that most people inside and outside the Bureau do not believe that this "re-instrumentalization" of BIA will happen; and, for various reasons, many do not want it to. Many employees, from manager to messenger, fear that a fundamental change in management concepts and behavior will deprive them of "benefits" they currently enjoy, and would mean that they themselves would be required to change long-standing and comfortable conceptions and conduct patterns. Of course, they are right. And many interests outside the Bureau, despite their frequent criticism of present conditions, realize that basic management improvements may deprive them of long-enjoyed positions of power and arenas for present dealings.

Also, a significant proportion of all persons involved base their estimate of the Bureau's inability to effect major management on the belief that "Indians can't . . ." They attribute the sins of mismanagement—lack of accountability, responsibility, discipline, standards, equity, etc.—on a perceived constitutional incapacity of Indians to understand and exemplify these "majority culture" concepts and principles; or, at least, an unreadiness of Indians to do so at this time.

Seldom, however, is it mentioned that the American people, the Federal government, and the Bureau specifically have not given Indian people many opportunities to learn about and put into use the concepts and principles of management—much less presented them with good examples to follow, even today. The paternalistic, authoritarian, and "client"-demeaning patterns of Government management prevalent for decades in Indian country can hardly be considered the best management school for Indians, or anybody else. They may more rightly be said to have represented the too-easily learned, less desirable aspects of American culture; and too many of the "pupils" did learn from this only available example.

There are, of course, thousands of dedicated, able persons in the Bureau of Indian Affairs—Indian and non-Indian, managers and clerks. Without them, the Bureau's operations would have come to a standstill in the past traumatic and troubled years. This reassessment report, rather than causing blame or guilt to be placed on anybody, is motivated by the hope that *now*—finally—the full capabilities of this work force will be given the opportunity to be led and directed and motivated towards more effective service for Indian people.

An organization needs to be managed, and managed well, if it is to be an effective instrument for mission accomplishment. With all the recognized problems and obstacles facing BIA—not only those facing any organization today, but also those unique to its history, mission and environment—the Bureau of Indian Affairs can be so managed.

It is urged that the reassessed and expanded three-part Action Plan recommended herein be widely reviewed, discussed and considered within the Bureau, and that a decision to proceed or not with the implementation of such a Plan be made within a month. As with last year's report, Bureau managers must be urged to read and disseminate this reassessed plan.

A memorandum for your signature is attached transmitting copies to Area and Central Office directors, requesting them to do this now. The copies are ready for immediate dispatch.

PAUL LORENTZEN.

Attachments.

REASSESSMENT OF BIA'S ACTION PLAN FOR PERSONNEL MANAGEMENT IMPROVEMENT

The purpose of this document is to give new Bureau management the opportunity to bring the BIA Action Plan for Personnel Management Improvement up to date, thus ensuring that the Plan is addressing those current problems of highest priority in the most effective manner. This process has resulted in expanded versions of each of the three elements of the current Plan: General management, Human Resource management, and Personnel Function management.

The implementation of the total reassessed Action Plan will move the Bureau significantly towards becoming an effectively managed organization.

I. BACKGROUND AND TIMING

It has been 17 months since the Bureau and the Department signed the Agreement for taking actions "to correct and improve" BIA personnel management, and designated a full-time Project Manager "to coordinate and direct" these efforts. It is a year since Bureau management started to review and consider the Project Manager's report and recommendations. And eight months have elapsed since the resulting BIA Action Plan for Personnel Management Improvement was approved and began to be implemented.

During this time significant changes have occurred in the top management of the Bureau: Four different individuals have headed up the Bureau; three of the five Central Office directorates have been in an "acting" status for varying lengths of time; and four of the twelve Area Directors have changed. In the Central Office personnel function, the Chief Personnel Officer, five of his seven Branch Chiefs, and a majority of the personnel specialists have assumed their duties during this period—in most cases coming in from outside the Bureau; and the function has been relocated organizationally and reorganized internally.

But most importantly in relation to the timing of this reassessment, new top managers are now on the threshold of assuming responsibility for the Bureau. Their ability to turn the organization around into an effective managed instrument for serving the Indian people will to a large extent depend upon their awareness and understanding of the scope, nature and intensity of the current internal management problems of the Bureau; and upon their identification and use of some realistic methods for addressing these fundamental problems—rather than the development of cosmetic approaches to cover up symptoms and evade problem ownership.

II. SOURCES OF INFORMATION

The 52-page report and recommendations of last September was based on individual interviews with the top 136 managers, program and personnel officials throughout the Bureau, in addition to a wide variety of written material.

This reassessment of the Action Plan is based primarily on the thoughts and views expressed by 260 Bureau management, program and personnel officials in 13 discussions of the Bureau's management problems and their possible solutions, held throughout the country during the period June 20–August 31, 1977. One of these "personnel management communication workshops" was conducted in each of the western Area Offices (two in the Navajo Area), plus one for the Central Office and Eastern Region combined. In each case the 20 participants consisted of the Area Director (or his acting); selected Assistant AD's, Division/Branch chiefs, Superintendents, and Administrative Managers; and 3–5 personnel office staff members. (The Indian/Non-Indian mix turned out to be c. 40%/60%). Each of the 13 groups worked up its own agenda of significant problem areas, discussed each issue, and developed its own approaches to what (if anything) could be done.

In addition, the reassessment takes into consideration certain key documents that have appeared since last September, i.e. the report and background material of the American Indian Policy Review Commission, including its BIA Management Study; the House Committee on Appropriations report of June 6, 1977, on Indian programs; the December 1976 House Investigation Report on School Construction and Maintenance Programs of BIA; and the Civil Service Commission's evaluation report of April 12, 1977, on the Central Office's organizational units in Albuquerque.

A final source of information naturally consists of the daily dealings of the Project Manager during the past year in helping to develop and implement the Action Plan through working with Bureau management, program and personnel officials.

III. CHARACTERIZATION OF THE CURRENT MANAGEMENT CONDITION

The September report identified 17 major internal management problems in BIA, based on the views of the Bureau own managers and personnel officials. These are summarized and listed in Appendix A.

These same basic internal management problems were once again identified by the 260 management, program and personnel officials this summer. The problem areas most frequently identified in the workshops were lack of effective communications; definition of roles and responsibilities; manpower allocation and utilization methods; program planning, direction, evaluation, and accountability; the clear Bureau missions and objectives.

All of these problem areas may be characterized by five phrases which came up over and over again irrespective of the particular topic or issue being addressed: (1) Lack of accountability, (2) Lack of responsibility, (3) Lack of discipline, (4) Lack of respect, and (5) Lack of morale (demoralization).

The lack of accountability refers to the absence within the Bureau of clearly defined, stated and understood missions, objectives and program goals to which managers can tie their actions and, for the accomplishment of which they are held accountable. Every manager struggles with feelings of organizational and functional isolation and of "being on his own," with neither expectations defined nor performance evaluated since meaningful objectives and program standards are absent. Definition and understanding of roles, organizational relationships, and delegated authorities are generally unclear, so that pinpointing accountability in itself becomes difficult and frustrating. By now the very concept seems foreign to Bureau thinking, and threatening to various institutionalized modes of operation if implemented.

The lack of responsibility is a logical consequence. Bureau personnel wonder why they should own up to responsibilities and behavior for which they are convinced they would be punished rather than rewarded. The Bureau's value system and institutional culture prescribes conformity to avoiding any actions which will "rock the status quo"—be it setting and enforcing performance and conduct standards, maintaining discipline regarding rules and regulations, or confronting basic management problems and making timely decisions. Nobody sees ownership behavior either modelled above or encouraged below. Since accountability is not demanded and responsibility is shunned, Bureau employees—from managers to clerks—are adept at coping with the continuing organizational atmosphere of non-communicative non-ownership of responsibilities. As often expressed, "Nobody says anything to anybody." Most persons by now feel it would be too risky to become "controversial" by acting responsibly and "doing right."

The lack of discipline is a natural outgrowth of the institutionalized attitudes described above. Discipline implies defined purposes, meaningful actions, and systems of behavior consonant therewith. Bureau personnel find an absence of these prerequisites, and hence lack incentives to behave in a disciplined manner. They *do* find the greatest models of undisciplined conduct at levels all around and above them, be it in the form of abuse of alcohol and hours of work, immoral conduct, misappropriation of funds, misuse of Government property and contract authority, etc.—many instances of all of which are talked about throughout the Bureau.

The lack of respect is for both the Bureau, its leadership, and for themselves. Working in a culture pervaded by non-accountability, disregarded for responsibilities, and lack of discipline, managers often attempt to create islands of respect around their individual organizational unit or functional areas—primarily by strongly disassociating themselves from "the rest," be it the Central Office, other Area Offices, other agencies, other functional programs, etc. This urge towards "non-contamination" may not actually result in much respect building, but it certainly does lend additional momentum to the fragmentation/isolation phenomenon identified above. In the end everyone is left with the bitter taste of lack of self-respect— for being part of an organization in such an advanced stage of incapacity. "The best ones have left or won't join in the first place—what does that make us?" is a frequent final conclusion heard in this attitudinal area.

Lack of morale, or demoralization, is a unanimous judgment made by Bureau personnel in talking about their organization and themselves. Not infrequently the depth of this feeling is expressed by such phrases as "the death of the Bureau" and "the art of managing a dying organization." Managers are generally convinced that little can or will be done to change the organization's effectiveness, and are interested primarily in escaping and making themselves invisible in the meantime. With morale at this state, the usually predicted failure of any attempts made "to improve" becomes a self-fulfilling prophecy, thus pushing morale down still another notch.

IV. RELATIONSHIP TO PERSONNEL MANAGEMENT

The purpose for dealing with the internal management situation of the Bureau today, and of zeroing in on the essence of its improvement needs, is the same now as it was in the September report: "The way in which an organization obtains and uses the people it needs to accomplish its work—and the effectiveness with which it thus performs its human resource (personnel) management—is directly related to the general management condition of the organization." (p. 3)

It is an illusion to think that effective personnel management can be developed in an organization which, by the perception of its own management and personnel officials, must be characterized by a profound lack of healthy institutional and organizational values, principles, concepts and behavior. If the very foundations or "institutional glue" required for any organized human activity to be functional—accountability, responsibility, discipline, respect, and morale—are to a large extent missing, improvement efforts must address these antecedent general management issues at least simultaneously with any improvement actions attempted in personnel management.

This has still not happened in the Bureau, and thus constitutes the main reason for the truly unimpressive record so far in making fundamental improvements in the personnel management sphere. With the general management condition of the Bureau as described above, it is only to be expected that Bureau management has not yet:

Understood and accepted its ownership responsibility for personnel management. Since managers in general have not been exposed to the basic concepts of management (including personnel management), it is difficult for them to own something about which they are mostly uninformed.

Developed a system for allocating and utilizing manpower resources according to program priorities and standards, and for building organizational/position/grade level structures around program objectives rather than around "personalities, politics, and myths." Since the principles of program standards and organizational effectiveness are not generally part of the "real life" of Bureau management, few managers can be expected to accept and use such "risky" devices even if they are aware of them.

Identified and planned for meeting the Bureau's manpower needs. Since the concepts of planning and needs assessment are not part of general Bureau management, it is "putting the cart before the horse" to expect effective implementation of manpower planning to occur.

Established an effective recruiting system for obtaining the kinds of persons/skills needed—through positive outreach methods, a cultivated network of manpower sources, meaningful qualification standards and appraisal techniques, and motivational orientation and initial placement procedures. Few managers are acquainted with these responsibilities and techniques, feel any ownership of the issues, or have enough institutional commitment/respect to help build programs for bringing on board "the best." Those who do find little response or effective assistance from within the personnel function.

Identified the Bureau's major training and development needs in all occupational and programmatic areas, and started to operate a system to ensure that such needs are being addressed. Given the general management condition, it is at least understandable that training funds often are used to permit persons to "escape" temporarily from duties, prepare themselves better to "escape" permanently from the Bureau, or "hide out" as an alternative to confronting performance problems. Management and personnel officials seem equally incapable of understanding the integral relationship between program effectiveness and human resource development.

Developed and used a communication system which promotes timely policy formulation and effective issuance. The general management state of isolation and lack of respect usually results in little response to solicitation of views on draft policy; formulation and distribution of written policy issuances "too late"; and non-receipt by many and non-conformance by almost all to whatever written policies finally emerge. Since effective common Bureau policies and procedures are mostly absent in the "real world" of daily Bureau business, it is visionary to expect them to be present in the personnel management arena.

Developed and implemented a personnel function characterized by the systematic setting of objectives based on operating program needs, efficient work methods and action processing, innovative use of professional and technological tools, and effective leadership in Bureauwide personnel program planning and evaluation. Managers are generally not only not aware of this full conception of the personnel function and their need for it, but (when aware) actually opposed to taking the many risks it would involve to have one element of internal management operate in such a coordinated, problem-confronting-and-solving, "rocking-the-boat" fashion.

This brings us full cycle back to management's lack of ownership responsibility for personnel management. The main Bureau motivation 17 and 12 and 8 months ago for going along with a personnel management improvement program and for adopting the current Action Plan was two-fold: A desire to get the Civil Service Commission and the Department off our backs;" and a fear of what even "worse" might happen if this Action Plan approach was not agreed to. Neither motive was related to an awareness of the need for examining and changing any basic Bureau management attitudes or behavior.

However, only by confronting these fundamental issues and systematically facing up to the urgent need for such basic changes will either the Bureau or its personnel management be able to serve effectively the interests of the Indian people—which presumably is their "reasons for being." The challenge is to turn the Bureau around so that a much larger proportion of time and efforts and funds in the future are devoted instrumentally and programmatically to meeting the needs of Indian people, rather than institutionally and problematically (as at present) to its own management defects.

As stated by the House Committee on Appropriations on June 6:

"The Committee believes significant changes must occur in the organization and operation of the Bureau itself before improvements will be realized. It is clear to the Committee that reform of the Bureau of Indian Affairs will not be an easy task . . . The predicament of the Indian people of having to rely on an organization which is more concerned with covering up its inadequacies than in fully meeting its trust responsibility without a viable alternative to turn to must be changed."

Most persons acquainted with the problem and this challenge, including many Bureau managers, do not believe that this significant change and "re-instrumentalization" will happen. They feel the situation is too complex and longstanding, and that the required actions would be too controversial and traumatic, for such a change to take place in the "real world."

Certainly past experience would support this view. The inability of the Bureau to confront, face and own up to, discuss openly, and make and effectively implement decisions on basic management problems has been immense. Now these presently "non-conforming" behavior patterns need to become the "standard operating procedures" and the institutionalized management system of the Bureau.

The methods and means for accomplishing such an endeavor do exist and have been used by other organizations facing the same problems, which are neither unique to the Bureau or unknown in the world of organizations. The essential factors to success are management awareness, commitment, and modeling behavior.

V. RECOMMENDED ACTION PLAN FOR GENERAL MANAGEMENT IMPROVEMENT

The September report identified five general (G) management improvement areas that needed to be addressed (pp. 25–30) in order for the human resource (HR) and personnel function (PF) action steps to have a foundation for success. None of these five basic steps has been taken. In most instances management felt that little could be done about these improvement needs until the Bureau had permanent leadership.

In view of the present management condition of the Bureau, the sense of urgency to adopt and implement an Action Plan for General Management Improvement should be intense. The following action steps, including those previously identified as well as an expansion based on this current reassessment, constitute minimum agenda for meeting the challenge described above.

G 1. *Establish an effective institutional focus for internal management (pp. 25–26)*

"The Bureau must have a line official responsible solely for its own management . . . The type of institutional function not currently recognized and performed in a clearly focussed and structured position is that generally referred to as chief of staff. This person, serving as 'alter ego' to the top manager on internal management matters, ensures that the organization develops and implements the policies, systems and procedures needed in the areas of monetary, human, and physical resources. . . .

"Time is not occupied primarily with individual cases and day-to-day questions arising for settlement; but with the principles and policies (e.g. on organizational arrangements, allocation of resources, and information managing methods) providing the underlying foundation for resolving these actual cases."

A draft position description for this role has been prepared under the current Action Plan. Presumably the position title would be Deputy Assistant Secretary for Indian Affairs (Management), as distinguished from any similar position(s) concerned with programs and their operation.

As soon as the position is established, a comprehensive and exact explanation of the nature and scope of its duties should be made by the Assistant Secretary to the Bureau work force, which would in effect serve as the long-needed commitment by top management to the basic concepts and principles of management: Systematic objective and standard setting; program planning, development, operation and control based on accountability; organizational and resource utilization based on programmatic objectives; coordination and communication for program efficiency and effectiveness; and program evaluation with appropriate and timely follow-through actions based on levels of achievement.

G 2. *Establish and operate an analytical program in the (a) Organizational, (b) Manpower allocation/utilization, and (c) Work methods areas (pp. 26–27)*

"The Bureau does not have an effective, clearly identified system for ensuring that organizational arrangements, allocations and utilization of manpower, and work methods being used are consistently studied, analyzed and changed based on shifting program priorities, improved technology available, and the changing realities of the Bureau's environment . . . This analytical function would serve as the 'eyes and ears' of the Bureau's internal manager [in these three management areas] . . .

"At the present time some Areas and agencies are experimenting and taking various actions in these fields, but in isolation from other parts of the Bureau and with no knowledge of similar or different actions taken and results attained elsewhere. The general feeling is that the Bureau as an institution is neither interested in nor capable of providing leadership here."

If, as seems apparent, there is to be a top level Task Force convened to study and recommend new organizational arrangements, roles, and relationships in the Bureau, the institutionalizing of an effective, continuing Bureau capability in these three basic management areas becomes even more crucial. The opportunity presented by the Task Force approach should be grasped to gather from within the Bureau's own work force those comparatively few individuals (whatever their current titles or geographic locations) who have the demonstrated backgrounds and commitment to these management topics—and form them into project/task force teams to identify the priority analytical issues and develop alternative proposals/solutions. This operation could then serve as the basis for such a continuing Bureau functional unit attached to the Deputy Assistant Secretary (Management).

G 3. *Design and conduct a program evaluation operation (pp. 27–28)*

"Since the Bureau has recognized the urgent need for a clarification of its basic mission and is now engaged in producing a mission statement together with the framework of program responsibilities flowing therefrom, the required foundation for setting standards of operation will presumably exist. The importance of carrying through this mission and responsibility definition work cannot be emphasized too greatly. It should constitute the number one priority of Bureau management, leading then to the development of program standards against which actual operations are evaluated on a regular and periodic basis.

"As long as Bureau managers are uncertain of the results expected and for which they will be evaluated, the undisciplined nature of operations as characterized by the managers themselves will continue to prevail. Understanding what they will be held accountable for, and then held so accountable through periodic evaluations, managers will have an opportunity to demonstrate their true managerial abilities, and the Bureau to judge its managers on the basis of more objective and relevant criteria than at present."

The mission statement effort stopped last fall. It should still be the single highest priority for the Bureau. Managers, and the full work force, must hear clearly and loudly the official statement of the Bureau's reason for being, with its attendant major program responsibilities. At present, sincerely and in desperation, many managers throughout the country have coined their own versions of the Bureau's mission—and they are at wide variance with each other. An urgent, concerted drive—involving Bureau, Department, and Indian tribal officials—to complete this work from last year should be a first order or business for the Assistant Secretary for Indian Affairs. Upon issuance, the statement should then be explained and discussed in meetings throughout the Bureau, to help to rebuild a sense of common purpose and ownership.

Some movements towards developing a program evaluation capability within the Bureau have taken place. Hopefully the route will not be followed which turns the whole job over to "outside experts" without using the opportunity to tap the Bureau's own program expertise and thus to use the developmental phase to build a sense of commitment to and ownership of the final products with which Bureau managers will live. "Task forces [of appropriate Bureau personnel] in each of the major program areas, presumably with participation by Indian tribal representatives, could work simultaneously on standards development; while the system and procedures for program evaluation were being developed on a project basis." (p. 28)

G 4. *Develop a communication/team work management style* (*pp. 28–29*)

"The management problems of the Bureau addressed in this plan will not be changed significantly unless a more cooperative way of doing business becomes standard operating procedure in the Bureau. The organization needs to have its significant management problems brought out into the open, examined and discussed by the responsible managers in a team atmosphere, and resolved in such a manner that commitment to and respect for the decisions made are the result.

"For whatever reasons . . . it is apparent that communications in the Bureau have typically been conducted in a highly formal, close-to-the-chest manner. Persons to be affected by policies are not generally involved in the deliberations leading up to their determination; and decisions are made in managerial problem areas with little input from those living directly with the problems. All of the symptoms characteristic of this style of communication management—great dependence on rumor and grapevine, intense skepticism of the fairness and equity of the decisions made, non-commitment to or ownership of the results, and much factionalization and internal strife—are visible in the Bureau. . . .

"Managers do not seem to recognize a communication responsibility of this [consultation] type or to be aware of the unconstructive results of the means they do use . . . Since communications is a factor of such more fundamental elements as trust and general value systems, a style more conducive to and reflective of team work can of course not be mandated for an organization. However, a conscious decision *can* be made by its managers to adopt certain methods and procedures which will start generating cooperation and mutuality, and thus tend to turn the situation around into one of more and more interaction and receptivity to working together."

The solution to none of the many management problems of the Bureau is more dependent upon the example set by the top managers than this one of communications. Specifically, the Assistant Secretary for Indian Affairs needs to:

Enunciate clearly and explicitly his concept and policy of communications, and his expectations of subordinate managers therefor. This policy issuance should provide guidelines on the nature and use of various types of meetings; the use of agendas and minutes of such meetings; the use of various upward and downward communication devices; the obligation of senders to ensure that communications not only are sent but also received and understood; and on similar basic elements of organizational communications.

Ensure that all managers and supervisors are promptly given the opportunity to become aware of the principles and techniques of effective interpersonal and organizational communications. A series of workshops devoted to this single topic should be conducted throughout the Bureau to meet this urgent training need, including specifically the subject of effective listening.

Serve as the model and example of effective communications which the Bureau needs so desperately. And take appropriate action when subordinate managers—having now been trained and having a model to follow—do not fulfill *their* responsibilities in this area.

G 5. *Institute a management development program (pp. 29–30)*

The September report called for (a) Management orientation, including orientation to Indian history and culture, for present and new managers; (b) Guidelines for career development into management positions; and (c) Identification and development of management potential.

Progress made so far in this area is limited to the current plan to conduct a one-week orientation program for 30 new Superintendents in November; and a similar orientation for some 30 new managers the following month—with the intention to continue these orientation sessions in the future. The former program will be almost entirely subject-matter oriented (trust, non-trust, and administrative issues—which obviously is greatly needed), and will not address the identified need: Exposure to the concepts and principles of management, and to Indian culture and history. What the latter program will include is still being decided.

In fact, given the present management condition of the Bureau, any management training efforts made at this time might well be thought of as a superficial and cosmetic approach. What the Bureau's managers first need is to hear and experience are what they are being held accountable for, what expectations regarding responsibilities are being levied upon them, and what reward/value system will be used for judging management behavior. Without any change in these fundamentals from the current condition, managers would understandably conclude that any training in management would constitute so many empty words which had little to do with actual practice in the "real world."

After that, a massive effort at orienting managers to management should start, using whatever inside and outside resources are appropriate, such as already existing management courses offered by the Civil Service Commission, the American Management Association, etc., supplemented by discrete training modules tailored to the Bureau's specific needs, such as cross-cultural awareness training, PL 93–638 role and attitude training, etc.

To start the needed changes in the "real world" as mentioned above, and prior to the massive management orientation program for all managers and the development of career guidelines and a system for identifying management potential—all of which are very much needed—the following three additional steps should be adopted and implemented in the Action Plan for General Management Improvement:

G 6. *Define and enunciate expectations re conduct, behavior, and programmatic commitment*

Top management owes it to Bureau employees and the Indian people to make it very clear what the Bureau and the Federal government expects from every employee in the way of appropriate conduct and behavior on the job, and of commitment to the fundamental mission and programs of the Bureau. The Assistant Secretary for Indian Affairs is the proper official to fill this awareness gap in the current Bureau condition. The values that urgently need to be enunciated and modelled by management, and heard everywhere, should cover such basic obligations and responsibilities as:

Conformance to hours of duty and leave regulations. The widespread abuse of official starting and quitting times, lunch periods, and the leave system is known and evident Bureauwide. Those supervisors/managers who attempt to "live by the book" are generally punished in various informal ways. Many managers apparently sincerely believe that hours of duty standards do not apply to themselves; at least their flagrant abuses are known by all. With no performance standards for their work and few models of proper behavior to follow, employees are left with the impression that there are no enforced expectations in this area. They must come to believe differently.

Conformance to minimum standards of conduct during duty hours. Cases of excessive drinking and "playing around" with female employees during these hours are again the subject of wide knowledge in the Bureau. And again, model behavior and clear statement of expectations are largely absent. This need must be met.

Conformance to basic principles of equity in regard to employees. Often managers are viewed with fear and mistrust because of their use of threats and "black lists" as standard management techniques. A minimum level of respectful and just treatment of employees must be defined and made known to all supervisors and managers.

Conformance to a minimum standard of commitment to the mission and programs of the Bureau. A substantial proportion of the work force sincerely believes that much of the present legal foundation for Bureau programs and thrusts is wrong—which is their right to believe. But they further believe that there is nothing wrong in expressing these views during work hours in such a way that others must conclude they are primarily interested in subverting rather than in assisting major program efforts.

A management effort is needed to draw distinctions between personal views personnally held (e.g. regarding Indian self-determination, contracting, preference, etc.) and their expressions orally and in writing on the job. As many persons said during the 13 workshops this summer, "We are our own worst enemies, by always 'bad-mouthing' the Bureau." While this phrase has larger implications than solely non-commitment to the new directions of Bureau policies and programs of the past few years, it refers to a large extent to this verbal "subversion" prevalent in many places.

G 7. *Implement actions to address known abuses*

Nothing would be more damaging to the management condition of the Bureau than for the above definitions and statements re conduct/behavior/commitment expectations to be enunciated and then—nothing happened. Again everyone would realize that the present "don't rock the status quo" and inability-to-"bite-the-bullet" style of management was being continued.

A program of implementing and follow-through actions must be developed and followed, which should naturally commence by addressing the most widely known problems. This program as a minimum must include:

A bureauwide alcoholism program using the prescribed Federal government guidelines and assistance mechanism. To say the least, present efforts in this respect are neither organizationally nor occupationally inclusive, while at the same time the problem is widely recognized as one of the most severe and visible in the Bureau. To be effective, both as a motivating model and for producing concrete results in improving management, the program must start with the higher management levels and work downwards. These cases are well known, are waiting for help, and should be addressed first.

A Bureauwide program to address cases of misuse and misappropriation of funds, property and equipment. Working together with the appropriate Departmental officials—whose major workload in this area comes from the Bureau of Indian Affairs—top management must search out, rather than try to ignore, cases where contracting authority, Government equipment and housing, etc., are being used illegally. In bringing this subject out into the open and publicizing, rather than hiding, the effort, a start will be made to rebuild the respect, discipline and morale so greatly needed.

A bureauwide system for rewarding, rather than punishing, "doing right." All employees should be made to understand that to report conduct and behavior abuses, and violations of rules and regulations, is to discharge their obligations as Federal employees. While this message can easily be misconstrued as encouragement of "snooping" and "ratting" on others—and should be carefully planned to avoid such misunderstanding—the potential benefits to the improved health of the organization of such a planned attack on nonaccountability and irresponsibility greatly outweigh the possible misuse of the approach by "professional gripers."

G 8. *Clarify organizational roles and relationships*

There is great confusion and often deliberate misconception of the roles, relationships, delegated authorities, and responsibilities in the present organizational arrangement of the Bureau. The change in the basic role and function of the Central Office some years ago, making all officials staff rather than line (other than the Commissioner/Deputy Commissioner), was never adequately explained and has not been effectively implemented. Policy planning and advice/guidance from the Central Office has been minimal to absent in most functional areas as far as the Areas and agencies are concerned; and many Central Office officials themselves have neither understood nor accepted their new role.

Similarly, Area Office/agency relationships are frequently deteriorating and generally abrasive. There is no consistency among Area Offices on basic organization, method of operation, or management concepts. The very concepts of line/staff, delegation of authority but not responsibility, and coordination/communication among and across management levels are foreign to many management and program officials.

While basic organizational changes may well be needed for the Bureau to be able effectively to serve the Indian people in the future, it will accelerate the present deterioration if reorganization comes first rather than last—only after definition and clarification of mission, program responsibilities and standards, management accountability and responsibility, values and expectations, and effective communications and conduct. Also, to help any reorganization to be more meaningful, the proper roles and relationships of the present organizational arrangement must first be discussed and determined. As it is now, the misuses and misconceptions of the present arrangement are too frequently considered the essence, rather than as perversions, of this arrangement.

The single most important point made in this reassessed Action Plan for General Management Improvement recommended herein is this: The action steps embodied in G 1–7, which address the basic internal management problems of the Bureau, must be undertaken now and first. Only then will a reorganization effort know "what is being organized" for "what purpose."

To put this "cart before the horse" once again in Bureau history, may well prove fatal this time.

How to implement and timetable

How can these steps be accomplished? It is imperative that one of the main resources to be drawn upon is the Bureau's own employees who have the demonstrated backgrounds and commitment to management concept/principles—as already mentioned in the more specific area of G 2.

The Assistant Secretary for Indian Affairs should make it known that a BIA Action Plan for General Management Improvement is being developed, and that most of the persons who will be called upon to work directly on this challenging assignment will be individually selected from throughout the Bureau: Management, program, and administrative officials, and non-supervisory employees, irrespective of current title or job—who are considered by experience/education/performance to be knowledgeable and capable in the management area.

These c. 30–40 persons will work in task force/project teams under the leadership of a General Project Manager reporting to the Assistant Secretary. Outside resources—e.g. consultants/experts in technology, the "state of the art," the experience/methods of other organizations, etc.—will be drawn upon as desirable and appropriate for each action step.

For each action step, a very detailed plan for accomplishment will of course need to be drawn up showing nature and sequence of each sub-action, planned starting and completion dates of each, and person(s) responsible for "doing it," similar to the format used in the present BIA Action Plan. Also, periodic progress/status reports would be made by the General Project Manager to the Assistant Secretary, pointing out any appropriate changes needed in timeframes, responsibilities, etc., based on accomplishment levels and altered circumstances. In the beginning these reports would be very frequent (e.g. weekly) in view of the initial pace and urgency required.

To assist this effort, the actions recommended above are summarized and listed in Appendix B, in a general sequence/timeframe considered appropriate, and with leadership responsibilities and participating resources indicated.

VI. REASSESSED ACTION PLAN FOR HUMAN RESOURCE MANAGEMENT

Of the 12 action steps recommended last September to address the Bureau's human resource (HR) management problem (pp. 31–46), 10 were adopted by management and included in the current Action Plan for Personnel Management Improvement.

As indicated below, while there has been some movement in most of these problem areas, in general this progress has been of a more peripheral than essential character, i.e. words rather than actions, and paper policies rather than effective policy implementation. The major reason for this is the lack of management awareness of the human resource management concepts behind the problems, and hence of commitment to the urgent implementation of the improvement actions. Bureauwide, few management and program officials have either heard of the Action Plan or understand that it has any connection with their responsibilities.

Still, of the three major elements of the Action Plan, that of human resource management has received more attention and shows more accomplishment than either of the other two (general management and personnel function management). The following reassessed Human Resource Management Action Plan briefly summarizes the current status of each step, indicates what further needs to happen, and recommends the adoption of three additional action steps for which the current review demonstrates a high priority need.

HR 1. *Develop and start operating a manpower forecasting system* (p. 31)

"While everybody talks about the manpower the Bureau needs and the difficulties of finding qualified persons, no systematic effort has been made to identify more specifically the numbers and kinds of persons needed to staff the Bureau within a given future time period.

"Recognizing the difficulties and uncertainties inherent in trying to forecast these needs with a degree of specificity . . . the Bureau still can and must produce "ball park" projections sufficiently valid to serve as the basis for major staffing action program. By using broad categories of manpower . . . and comparatively flexible time periods . . . sufficiently accurate estimates of the need can be produced for the intended purpose. . . . This manpower planning operation should be limited initially to job categories considered significant Bureauwide from the standpoint of expected difficulity in filling needs."

One detailed manpower study has been made—by a former BIA official through a purchase order under the auspicies of the Office of Trust Responsibilities and coordinated with the Action Plan—of one critical occupational area (Realty Specialist, GS–1170). No action has resulted from this report. The overall manpower needs study called for was started in June by an employee on loan from another Federal agency, and stopped 1½ months later when he was reassigned to the President's Reorganization Task Force.

There are persons in the Bureau (and of course outside, too) who could complete this initial needs survey, and then design and implement an ongoing manpower forecasting system for the Bureau. Since the major thrust of most of the HR action steps depends upon the completion of this initial effort, it is frankly bordering on dereliction of duty for Bureau management not to ensure that the proper person(s) be assigned at once to this task and assisted in completing it.

HR 2. *Institute a positive recruitment system* (p. 32)

"Both a conceptual/attitudinal and procedural change is involved here. . . . The policy should be adopted and clearly stated that functional managers have a responsibility for keeping aware of and in contact with the main sources of their potential manpower; while personnel offices must work closely with managers to provide helpful procedures and assistance in developing and actually drawing from these sources. At the present time, managers and supervisors not only do not understand that they have this responsibility, but often believe 'the system' actually forbids them from contacting and cultivating those organizations (academic institutions, other government agencies, professional societies, etc.) and individuals constituting potential sources of qualified applicants in their field.

"This positive recruitment system must address the requirement, not presently being met, for the Bureau to be knowledgeable of and have an effective procedure for communicating with potential sources of qualified Indian candidates. . . . The larger part of the Bureau's problem in filling jobs with fully qualified Indians is not that there are none, but that effective ways of locating and interesting those who do exist are not being used. . . ."

In adopting this recommended action step last fall, management expanded it to include the establishment of a centralized inventory of Indian skills nationwide, and a centralized listing of Indian affairs jobs available.

No progress has occurred on either the Bureau's recruitment system or the additional nationwide skills/jobs inventory. Many persons with the requisite skills exist in the Bureau to start work on the various parts of this action step: one was specifically requested from an operating program area, but management said "no." A present effort has just started to at least draft a Bureau recruiting brochure.

A full-time project leader must be assigned immediately to develop the plan for accomplishing this challenging task of systematically attracting to the Bureau "the best"—Indian applicants with the right backgrounds and potentials for the right occupations in the right geographic locations. Every other agency has its system. Even with the additional complicating factors of the Bureau's image, Indian preference, and little past experience to draw upon—BIA can too.

HR 3. *Develop and operate an Indian intake-and-development program (pp. 33–34)*

"Even before manpower projection estimates and the benefits of a positive recruitment system for locating presently fully qualified Indian candidates are available, it can be safely stated that the Bureau must commence a large Indian intake-and-development program. . . . This massive staffing effort represents the key to the solution of many of the other parts of the Bureau's complex personnel management problem situation. . . . And unless the Bureau fulfills such a basic responsibility as developing an adequate reservoir of the kinds of skills needed for its own effective leadership and servicing role in the future, many will continue to doubt its ability to fulfill its basic mission responsibilities.

"The program required calls for determining the specific types of target positions for which participants will be developed; the numbers of participants needed per 'intake class' in each of the general occupational categories; the program's first year cost; recruitment, screening and selection procedures; initial general orientation and training program for all participants; the more individually-tailored developmental phase of the program; and a network of specific understudy, formal training course, and OJT experiences.

"For a program of this major proportion and significance, all possible and available assistance must be utilized. . . . The perceived reluctance of many Indians to join the Bureau—particularly those who already have gained some work experience in other organizations, and who are the ones particularly needed—must be overcome. Indians already in the Bureau, who may meet the program entrance requirements, must be remotivated to become one of the sources of program candidates."

While a three-day training officers conference last fall was devoted to discussing this action step, and while the Bureau is attempting to obtain manpower ceilings and money for a FY 1979 initial program start—no concrete steps have been taken. Everyone agrees that "this must be done," but most wonder if it will.

Indian intake-and-development constitutes the core of the current Action Plan. Bureau behavior so far does not indicate that management either understands the urgency or is able to follow through on its paper commitment. Many needed initial actions could have started with no need to await a decision on additional ceiling spaces and money. Were there an effective manpower allocation/utilization system in the Bureau, which identified over-staffed organizational units and functions based on program priorities and standards, even more than the 100 ceiling spaces under discussion for fiscal year 1979 would be found—if nowhere else, among the hundreds of vacancies throughout the Bureau.

Unavailability of ceiling spaces, money, persons available to serve as project leaders, etc., seems at this point excuses for inaction. There *are* institutional forces in the Bureau which for various reasons do not want to see an effective program for bringing in and developing Indian talent in a planned, Bureauwide fashion. This might threaten and upset many functional, organizational and tribal interests which "benefit" from the present mode of operation. So far, one must conclude that these forces have prevailed.

The total staffing thrust represented by HR 1–3—determining the manpower needed, aggressively developing sources of and searching out candidates, and bringing in and developing Indians through understudy and other methods—must be spearheaded and coordinated by a Project Manager, staffed by an action team devoting their full time to this effort, and placed under tight deadlines by management. The present Bureau manual material on training describes many useful means and methods for identifying and developing employees; and isolated cases of intern, understudy, career development and similar endeavors are found throughout the Bureau.

But the total does not add up to a planned, coordinated Bureauwide program of sufficient magnitude to meet the massive need. Management and personnel officials must start fulfilling their responsibilities *now*.

IIR 4. *Take steps to grow Indian candidates for technical/specialist positions (i.e. engineers, foresters, etc.) (p. 35)*

"It may be safely concluded now that Indians are not preparing themselves for careers in the engineering and natural resources (forestry, soil science, range management, etc.) fields in sufficient numbers to meet either the Bureau's own future needs or those of the tribes themselves. Many persons have stated that while there has been a dramatic increase in the past few years in numbers of Indian people pursuing higher education, comparatively few are preparing for these career fields as distinguished from education, law, and social science fields. At the same time, however, these are the fields directly related to the all-significant Indian land base and trust responsibility matters.

"The Bureau must make those efforts that seem only commonsensical to change this situation, i.e., as a minimum take deliberate steps to ensure that through its own educational grant/scholarship programs Indians are counseled and encouraged to consider the opportunities presented by pursuing educational programs leading to these career fields. Certain specific inducements along these lines may even appropriately be built into the Bureau programs. Also, even more basic actions by the Bureau can be taken. . . ."

A two-day task force meeting was held in April—with Central Office and field representation from Education, Trust Responsibilities, and Administration functions—which resulted in memoranda being sent to Area Directors and Indian tribal chairmen containing various possible actions the Bureau could take in this regard, and asking for comments and reactions. Only a few Bureau responses have been received; tribal responses were not due until last week, and none has been received to date.

While this action step attempts to address a problem which obviously requires a long-range plan of attack, certain commonsensical actions could start immediately within the Bureau were there sufficient interest in the matter. There has been little so far. Again, strong institutional interests exist in opposition to such an effort. And generally there is insufficient ownership of responsibility by management and program officials to conclude that anything significant will happen.

Bureau management must select several specific approaches suggested by the April task force, announce its commitment to carrying them through, assign clear responsibilities to the various functions and individuals who must be part of this coordinated action step, and use a follow-through system which pinpoints accountability for progress or the lack thereof.

IIR 5. *Issue guidelines on the application of Indian preference (restructuring and readvertising positions) (pp. 36–37)*

"Clear policy and procedural guidelines must be issued regarding (1) Restructuring the grade level of positions downward, (2) Readvertising positions when no qualified Indian candidates have applied, and (3) Not filling positions at all when no qualified Indians apply.

"At present, each manager in the Bureau is trying to accomplish the twin objectives of filling his vacancies with qualified people so he can get his work done, and at the same time apply the requirements of Indian preference as he understands them. In the absence of Bureauwide guidelines in this respect, there is wide variation in both opinion and practice, from Area to Area and agency to agency, as to how to do this without violating these requirements or having undesirable effects on the work.

"On the one hand, some managers believe they should hire nobody but Indians, and in order to obtain any candidates even minimally qualified, will restructure every position downward, advertise positions over and over for a fourth or fifth time, and/or simply leave positions vacant for extended periods of time. The result is generally actual work disruption, with specific tasks either not getting done at all, or done ineffectively or inefficiently because of the filling of so many positions with persons in a trainee status. Conversely, others are perceived as making only perfunctory use of these devices to get Indians into their positions, with the result that feelings and charges of continued discrimination against Indians are rampant and internal office factionalism is increased. . . .

"What is needed to make the use of these tools a more balanced and consistent operation in the Bureau is a policy statement which makes it clear that . . ."

A policy statement of this type was issued in late May, providing guidelines for making judgments on the merits of each individual case, and to ensure that "failure is not built in from the beginning" when jobs are restructured downwards and filled by trainees who then receive little assistance or training. So far there is little indication either that managers and supervisors have heard of these guidelines or that they will ever be given an opportunity to discuss and understand them. The situation described above has in no way changed in actual practice.

More than transmitting a two-page guideline from the Acting Deputy Commissioner will be needed to effect actual changes in this situation. This "more" would as a minimum consist of model/example behavior being set in the Central Office, of discussions being held among managers and personnel officials of the meaning of the policy guideline, and of personnel offices showing visible leadership in its application. Generally, none of these events have occurred.

HR 6. *Obtain legislative modifications in Indian preference (p. 38)*
HR 7. *Further facilitate outplacement of non-Indians (p. 39)*

Neither of these recommended action steps were made a part of the Bureau's Action Plan. Whatever has occurred so far in these vital areas has been primarily at the initiative of the Department and OMB).

HR 8. *Develop qualification standards/guidelines for major types of positions (pp. 40–41)*

"There are few qualification standards or guidelines for the many types of positions in the Bureau which are either peculiar to the organization or require certain more specific qualifications within the minimum Civil Service standards for experience and education, arising from the nature and demands of the Bureau's work. The development of these standards/guidelines for such positions as Area Director, Superintendent, Administrative Manager, and various specialities in the Trust Responsibilities and Tribal Resources and Services areas is of fundamental importance to the successful implementation of many of the other action plan steps.

"The work to be done consists of a series of interrelated tasks:

It must first be made clear that managers and the Bureau not only *may* determine the qualifications needed for successful performance in Bureau jobs—in amplification of any minimum experience and education requirements laid down in X-118—but that they have the responsibility to do so. An explanatory and clarifying issuance regarding this responsibility and the general nature of qualification standards should receive wide distribution.

A general qualification guideline applicable to all Bureau positions should be developed addressing the factors of personal acceptability and suitability; and, where applicable (e.g. managerial and other positions of responsibility), of knowledge and understanding of Indian problems and empathy with goals and aspirations of Indian people.

A general guideline applicable to all management positions should be developed around the specific qualifications needed for managerial work—those abilities, skills and personal characteristics not related to or necessarily developed in any functional specialty.

Individual qualification standards/guidelines should be developed for each type of position as mentioned above, built around the knowledges, abilities and skills needed, and providing examples of the types of typical experience needed (the 'career pathways' previously mentioned) to qualify for the position."

Six critical positions/occupations (Area Director, Superintendent, Tribal Operations Officer, Housing Development Officer, Vocational Development Specialist, and Policeman) were selected as the initial ones for qualification standards/guideline development. All but Superintendent are in various working stages. Also, a four-page guidance memorandum was issued in April addressing the management responsibility to determine qualifications needed beyond the minimum ("selective placement factors") and the matter of acceptability/suitability of candidates.

This is one area of the Action Plan where there is some practical management involvement, be it only primarily at the Central Office level. However, managers/supervisors throughout the Bureau are often unaware of the nature of qualification standards, their responsibilities in this area, or the current Action Plan thrust. They typically feel that the whole business is some mysterious and cumbersome system juggled (and sometimes bungled) in personnel offices—and frequently this feeling seems justifiable from the words and actions of these offices.

More than simply the development and issuance of the needed standards/guidelines will be required to remedy these problems based on misconceptions and lack of expertise, such as more imaginative leadership from the personnel function and more willingness to understand and "own up to" by management.

There remains a desperate need for the two guidelines called for above, re:

Those abilities and skills and personal characteristics relevant to all managerial positions, and upon which candidates for management positions will be appraised and ranked and (hopefully) selected. Until the Bureau recognizes that "anybody" does not become an effective manager by simply putting him/her into such a position and bestowing a title, "everybody and anybody" will continue to get into management positions with certain failure as managers too frequently built in.

That degreee of understanding of and empathy with Indian problems, goals and culture which any Bureau employee in a position of major responsibility must display if he/she is to be able to carry out effectively these responsibilities. This knowledge/attitudinal factor is referred to more expansively in the additional action step HR 14 recommended below.

HR 9. *Improve procedures for determining eligibility and qualifications for specific vacancies (pp. 41–42)*

"It must be clarified to managers that *they* are responsible for defining the more specific knowledges, abilities and skills needed for satisfactory performance in each specific job; and to personnel staff members that these specific qualification factors must be developed with managers/supervisors having the vacancies, be included in the vacancy announcements, and used as an essential part of the rating process.

"The great controversy everywhere in the Bureau regarding personnel offices' 'qualifying anybody' is due to the absence of this step. 'Minimum qualifications' has been equated by all to purely the X–118 requirements regarding experience and education, instead of to these as amplified by the more specific requirements inherent in any individual job.

"In addition . . . the procedures used in determining whether applicants meet the qualification requirements and in ranking those who do should be subjected to a major study and improvement project. This is particularly relevant and essential in view of the generally perceived uselessness of 'the record' for determining the quality of employees' performance. . . . The development and use of vouchers or qualification inquiry forms tailored to the types of positions being filled should be pursued. The use of a Bureau appraisal/evaluation board or committee should be considered for all positions where the Commissioner has not delegated his appointing authority (i.e. 'key' positions). In every way this project should refine and develop methods to ensure that no candidate finally listed on a certificate cannot be expected to perform the job satisfactorily."

In addition to the April issuance mentioned above in HR 8, a four-day qualifications rating training session for all Bureau staffing specialists was held in July. Similar sessions are now to take place in all Areas, for supervisors and others involved in staffing work. This is one of the most concrete and potentially meaningful steps that has been taken under the Action Plan. For continued progress, monitoring of the effectiveness of the Bureauwide implementation effort must be intense.

However, there has been no movement so far in the vital areas of improving procedures of obtaining more meaningful information regarding applicants' backgrounds and potentials, or in appraising candidates for "key" positions (e.g. Area Directors and Superintendents). Work should start now on:

Identifying and developing whatever revised or additional methods are needed for getting meaningful data on candidates' knowledges, skills, abilities, and personal acceptability/suitability characteristics relevant to specific occupations and types of jobs.

Establishing a more institutionalized procedure for locating and considering candidates for "key" positions. A carefully designed qualifications inquiry form zeroing in on *managerial* qualifications, personal characteristics, and programmatic commitment should be developed; and the potential benefits of establishing a permanent Management Appraisal and Screening Board, with permanent membership from top management ranks and "ad hoc" from program/functional areas, should be seriously considered.

HR 10. *Reissue updated policy guidelines for tribal consultation on personnel selections (pp. 42–43)*

"To correct the inconsistent manner with which consultation on personnel selections now takes place, and its too common pernicious effects, the Bureau must issue new guidelines and then provide for implementing procedures which ensure adherence in practice to the stated principles.

"It will be a major challenge for the Bureau to 'turn around' the current situation where 'consultation' in effect often means that tribal groups demand (and obtain) the appointment of specific individuals, and the positions affected include every single one at an agency. Bureau inaction has permitted agency employment often to become an extension of tribal politics and factionalism, with all the disruptions and conflicts inherent in this situation reflected within the agency—instead of agency employment operations serving as a model of the merit and fitness principles of the Federal government for the tribal government to look to and emulate. This is especially ironic in view of the programs aided and cosponsored by the Bureau for training Indian tribal members in good personnel management principles and procedures so they can return to their tribal governments and start applying them."

Draft guidelines were developed by a task force of field management officials in February; sent out for comment to Bureau and tribal officials: and redrafted in July for top management signature. They have not yet been signed or issued.

However, few Bureau management and program officials have heard that updated guidelines are being prepared, and almost all agree that if such written guidelines are issued, they will generally be ignored—just as most written issuances from the Central Office are. This would be particularly true of these guidelines since no follow-through or implementing mechanism is built into them.

Unless managers start seeing *behavior* above them change, and follow-through expected and demanded, they are not about to change their "status quo"—which is to conform to the wishes and demands of tribal and school board officials to whatever extent these are expressed and institutionalized in each agency/Area Office. They are convinced that doing anything else—like "the right way"—would expose them to political pressures and retribution against which they would not be supported from above.

Hence the issuance of updated guidelines, necessary as that is, must be followed by the far more difficult and meaningful step of monitoring subsequent developments and taking risky actions that implement the words. Few believe that this will happen. Model behavior at top management levels must come first.

HR 11. *Develop and operate an effective position management/classification program (pp. 43–45)*

"Here is an area where one of the greatest and most difficult attitude and behavior changes, for managers and personnel staffs must take place. It undoubtedly is true that many Governmentwide classification standards [by themselves] do not serve as adequate bases for classifying various Bureau jobs, and that for some types of positions no appropriate standard exists at all for this purpose. The remedy, however, is not to 'damn the system' and classify by 'myths,' but to develop those revisions and supplementary guides called for. The movement in this direction has already started.

"The actions necessary to establish within the Bureau an operational system ensuring that positions are set up and costed out in an efficient and disciplined manner conforming to legal and regulatory requirements, are traditional and multiple. They include: Defining and clarifying responsibilities . . . Developing standards and guidelines . . . Using helpful tools to increase efficiency of operations . . . Operating a cyclic audit program . . . Revising and developing Manual material . . ."

Since the issue of position classification was the specific problem area which "triggered" the March–April 1976 CSC-Department-BIA agreements and plans for personnel management improvement in the Bureau, it is not surprising that more work has been accomplished here than in any other single action step area. Under the current Action Plan the reconstituted and restaffed Branch of Classification in the Central Office has:

Issued Manual and policy directives addressing such matters as organization planning and position management improvement, accuracy of position descriptions, accretion of duties as exception to merit promotion, implementation of the Factor Evaluation System (FES), and classification charts—and is working on several other major policy issuances.

Provided technical assistance to the field, covering both individual classification cases, specific occupational problem areas, and total Area classification operations. To a large extent because of this assistance, it has been possible so far to return full classification authority (which was withdrawn from all Area Directors in April 1976) to six of the Area Offices, where local management has taken significant improvement actions of their own.

Conducted a number of classification and wage administration studies and projects in order to issue position classification guidelines, standard/model position descriptions, and similar basic material for improving the Bureau's ability to operate an effective classification program. While only a few final guidelines have been issued so far (i.e. Educational Aids and Technicians, Criminal Investigators, positions containing Contracting Officer Representative responsibilities, and wage grade positions), many others are being worked on in coordination with the appropriate management and program officials, and with the staffing function.

As encouraging as this progress is, there are few indications that there has been any basic change in the understanding and acceptance by managers and supervisors Bureauwide of the role of position management/classification in the management process, or of their responsibilities in this respect. As stated last September:

"Most managers . . . do not see themselves as responsible for being acquainted with or ensuring the application of the factors which are to determine the grade levels of their positions; they perceive their personnel offices' newly-found interest in this question as an unnecessary over-utilization of one of the most burdensome features of 'the system' without which they got along very well so far; and they see themselves as being made doubly the victims of circumstances beyond their control—the Bureau being unfairly picked out as a guinea pig for the current classification 'craze,' and the Bureau suffering because of 'the system's' inability to recognize its special needs in classification matters." (p. 22)

These misconceptions and myths—that people rather than positions are classified, that grade level is based on quantity of work performed and on dedicated service, that all jobs with the same title or at the same organizational level should be classified at the same grade, etc.—are as pervasive throughout Bureau management today as they have been for many years.

Further, managers generally do not want their personnel offices to ask any questions regarding the "what's" or "why's" of positions being established or grade levels proposed by them; and apparently are not taking seriously or implementing the Manual instructions issued in May regarding position justification/review now required in the Bureau. They see no reason why the content of a position description and their proposed grade level should ever be questioned by a classifier since "our word as managers should be enough." This despite the fact that all CSC and other reviews for the past 2–3 years have proven that position descriptions are frequently outdated and inaccurate, position structures often inconsistent and illogical, and grade levels inaccurate compared to actual performance.

Written issuances and guidelines can continue to be prepared and distributed—as they will be—and the basic conceptual/attitudinal problem will remain: Until managers hear what expectations are being levied on them, own up to these responsibilities, and are evaluated and rewarded based on effective performance in this area.

HR 12. *Develop and conduct communication workshops on personnel management (pp. 45–46)*

"Enough has been said above regarding the key role played by the conceptual and definitional aspects of the Bureau's personnel management problem situation to make it evident that various means must be found to cause changes here. Most of the action plan steps in the general management area are directly related to this problem, by serving as a foundation for management's acceptance and performance of its responsibility for the health and effectiveness of the Bureau as an organizational instrument. Without these . . . the Bureau's personnel management problems will have little chance for being resolved. Most often, as seen, the solution demands close cooperation between managers and personnel staffs, joint projects and task forces, and mutual understanding of and respect for each other's contributions. . .

"In each major organizational part of the Bureau, managers should have the opportunity to sit down with their personnel staff and together discuss the basic principles and policies of Federal personnel management . . . The last thing needed at this time is an intensification of the 'two hostile camps' atmosphere between managers/supervisors and the personnel offices. A program requiring one or the other party to sit and be lectured to and 'told' will have this undesirable effect. The program envisioned here would have as its chief objective and benefit the bringing together of the two camps, to start building the basis for that cooperation and coordination needed if personnel management problems are to be truly resolved rather than just cosmetically covered over."

In the sections above under Sources of Information, and Characterization of the Current Management Condition, the format of these recently conducted 13 workshops and the nature of the discussions on general management matters have been covered. The specific personnel management topics selected by the groups for discussion were principally recruitment/staffing, employee development/training, position classification, performance standards and evaluation, processing personnel actions, nepotism, Indian preference, tribal consultation and pressure re personnel actions, and supervisory/managerial training in personnel management.

In five of the workshops the local management conditions and general communications environment permitted a significant amount of meaningful communications and problem-solving to occur, with the result that most participitants in these cases felt they had contributed, had been part of a rebuilding-of-communication-lines effort, and had produced realistic recommendations/plans of action which would help to improve the total personnel management situation of the Area if implemented.

At the other end of the spectrum, in three cases the communication and problem-solving objectives of the workshop approach were almost entirely thwarted by the existence of such severe local management problems (e.g. lack of trust, atmosphere of threat and retribution, unawareness of basic management concepts) that simply bringing the participants together seemed to exacerbate rather than help the originally identified problem situation. The remaining five workshops fell somewhere in between, with varying degrees of meaningful communications occurring and realistic solution approaches emerging.

In general, this approach to attacking the need for both management and personnel officials better to understand and respect each others' views so that common team efforts can be undertaken, visibly demonstrated how the opportunity for making real personnel management improvements is intimately dependent upon the general management condition. The topics chosen for discussion and the discussions themselves showed how the participants themselves found any attempted distinctions to be artificial; and varying degree of workshop "success" pointed up the decisive role played by the existing local management conditions.

In some cases the participants agreed that more opportunities of this type for communications were needed and would be planned locally. A Bureauwide plan must now be developed to ensure that, by whatever specific means, management and personnel officials in all organizational parts of the Bureau continue to discuss periodically their common problems and possible solutions.

Three additional human resource management problem areas were identified through this reassessment effort as serious and fundamental enough to be considered for Action Plan status. It is therefore strongly recommended that the following action steps be included in the reassessed Action Plan for Human Resource Management, and be implemented.

HR 13. *Conduct meaningful orientation for new employees*

There is unanimous agreement throughout the Bureau that new persons joining the Bureau—be they managers, professionals, technicians, clerks, etc.—are rarely given the benefit of effective orientation. The Bureau's written material in this area (policy issuances saying "do it" and two booklets on "how to") are both unknown to many managers/supervisors as well as generally unused.

New managers, often for the first time in a Federal government and/or management position, are given little if any orientation to the Federal management system or the Bureau's programs; new supervisors often little or no orientation to supervisory responsibilities or Bureau administrative policies and procedures; and new employees in general only the most elementary exposure to the rules and regulations, rights and obligations, and co-workers they need to know. This lack of orientation is often termed the height of rudeness and insensitivity, if nothing else; and is sometimes pointed to as a prime reason for the excessive and rapid turnover among new hires experienced Bureauwide, as well as for the many misconceptions prevailing and mistakes made from manager to messenger.

It is particularly tragic to listen to the many cases of persons joining the Bureau for the first time who literally in a matter of weeks are so disillusioned and disenchanted by their treatment in this respect that they resign and spread the word that the Bureau is indeed as bad as "everyone" says. Many of these are Indian people. They receive no explanation of what the Bureau and its programs are all about, how their specific jobs fit into this scheme, why they are doing what they are told to do—or even the courtesy of being introduced to their coworkers. And neither does the Bureau operate a system of exit interviewing to find out what matters of this type might be corrected.

Given the present management condition, it is a real challenge to visualize how an effective, motivating orientation program can take place throughout the Bureau—what with those who are to orient/motivate the new employees too frequently themselves being so unoriented and demotivated. However, more effective methods than at present can and should be put into immediate use, i.e.:

A model orientation program developed and conducted in the Central Office. A couple of orientation sessions of this general import were attempted this past winter, which could be used to build on and follow through.

A film or slide-tape presentation regarding the Bureau—its mission, programs, organization, etc.—could be developed and multiple copies made available for mandatory use throughout the Bureau. At least one film recently produced by a private organization on Indians today could also be used as an additional general orientation device.

An orientation/training program for all newly hired clerical employees. Bureauwide the turnover in this large part of the work force is particularly high, and the tragic effects of the lack of meaningful orientation and initial job preparation especially visible. What is needed—with a model established in the Central Office for the rest of the Bureau to follow—is a mandatory several-days group training session which all new clerical employees attend before reporting to their positions, in which they become acquainted with the basic tools and tasks of their work, e.g.

Preparing correspondence in accordance with Bureau/Departmental requirements
Maintaining time and attendance forms
Preparing travel authorizations and vouchers
Preparing supply and other types of requisitions
Setting up and maintaining files in accordance with Bureau procedures

A specific person in each agency, Area Office, and major organizational unit of the Central Office could be charged with the responsibility to ensure that effective orientation—by the personnel office, supervisor/manager, and top manager—actually takes place, both on an individual basis and in appropriate group sessions (as described above). As a specified duty in his/her position description, at least accountability and responsibility for this activity would thus be established. A follow-through procedure should then be used to monitor the effective carrying out of this responsibility.

This action step can be implemented immediately by the designation of a project leader—who could use appropriate task force members on a temporary, ad hoc basis—to do the necessary planning, establishing of deadlines, etc.

HR 14. *Establish and use additional/alternate staffing devices/mode for non-Indian new hires*

Most Bureau managers agree that it will still be years before there are sufficient numbers of qualified Indian candidates available for all occupations and types of positions, even after the positive outreach recruitment program and the Indian intake-and-development program go into effect. Particularly in certain administrative and natural science/general trust responsibility areas, some non-Indians will undoubtedly be needed for years to come.

However, too frequently when non-Indians properly are selected and appointed, the present operational mode is bringing into the Bureau guaranteed future problems. Only within the past couple of months did the Bureau even ensure that non-Indian selectees became fully aware of the limiting effect that Indian preference will have on their career development and promotion opportunities in the Bureau (by mandating the use of a signed certification to this effect for every non-Indian hired). There have been sad instances—even in the Central Office—of non-Indians being brought in who sincerely had been led to believe that they would have the normal career opportunities.

And there still is no method for ensuring that new non-Indian hires have any understanding of Indian affairs or any affinity/commitment to the basic mission of the Bureau and to assisting Indian people. While the attitudinal and psychological problems of the "older" non-Indian employees in regard to the new directions and thrusts of the Bureau understandably are complex and have generally been mismanaged and/or ignored, an attempt should at least be made not to perpetuate and even inflame this issue by continuing to hire persons who may be culturally, psychologically and temperamentally unable to relate to the basic values and commitments underlying the whole concept of the present policies and environment of Indian affairs.

What is needed is the development and use of:

An appraisal device for all non-Indian candidates (who meet all other qualifications) to attempt to "screen out" from selection those who obviously and blatantly cannot cope with the values/commitments being discussed. This could take the form of several pages of written material summarizing the salient points of the Government's policies and programs, their underlying values (e.g. Indian self-determination capability, right to separate cultures, etc.), and the psychological implications for non-Indian employees of the Bureau. The candidate could then be asked to indicate whether he/she (a) Understood this material, (b) Finds him/herself in agreement therewith, and (c) Wants to be part of an organization devoted to these values/purposes.

This will of course not guarantee that persons constitutionally opposed to these matters will not be selected, but it would at least serve as a "flagging" device for both the candidate and the Bureau on a significant issue which presently is generally not being addressed effectively.

A limited/term appointment system to be used as an option when appropriate. As more and more Indian candidates become qualified and available through the intake-and-development program and other efforts, there will be increased need for non-Indians (when there is a need at all) whose tenure with the Bureau is of only a certain limited duration, e.g., 2-3 years. If it seems probable that certain types of jobs or specific positions will be filled with Indian candidates in another few years, but cannot yet so be filled, why appoint newly hired non-Indians (as is now being done) with unlimited tenure?

The authority for limited/term appointments exists in the Federal personnel system. This action step simply contemplates that the Bureau develop a policy regarding the appropriate circumstances and factors for use of this appointment mode in appointing non-Indians, and guidelines for applying the policy.

HR 15. *Operate a meaningful performance evaluation system*

The Bureau has a good and well thought out written performance evaluation plan in its Manual. And it is the general consensus throughout the Bureau that it is not being used in any meaningful way.

With very few exceptions, managers/supervisors do not develop individual performance standards/objectives with each of their employees; do not periodically discuss performance or "how are we doing" with employees; and do not make any meaningful evaluations/appraisals either orally to their employees or in any written manner. Employees (including, of course, managers and supervisors themselves) have little if any conception of the expectations of their bosses regarding how much and how well they are supposed to do of what—and often not even of "what."

The general feeling is that to do those kinds of things would be impossible because "nobody would back us up if we really dared." In other words, as in so many other areas, to use the Bureau's prescribed system would result in punishment rather than approbation. As long as nobody sees anything of this nature being done about the many "ineffective performance" cases perceived at higher levels, it is hard to refute this line of thought. This human resource management problem is obviously closely tied in to the general management conditions discussed above.

However, what can and must happen is for some manager (preferably the Assistant Secretary for Indian Affairs himself) to start setting the model for implementing the Bureau's own manualized performance evaluation system. Individual performance discussions with Area and Central Office directors are desperately needed, to come to a mutual understanding (preferably reduced to some simple written paragraphs) regarding quantity/quality expectations re major objectives and responsibilities; and then followed by periodic, meaningful discussions with each regarding how well the two perceive progress in meeting these expectations/performance standards.

And then the Assistant Secretary should require that each of these managers now do likewise with their subordinates—and so on down through the whole organization. With top managers now setting the example, the signal will go out that it is all right to "do right."

A project leader/facilitator to aid the top managers in starting to perform this important and difficult part of their management responsibilities could well be designated. Some carefully hand-tailored individual and group orientation, discussion and modelling sessions—shaped around the actual management atmosphere and environment in the Bureau and of specific individual Bureau managers—would help to avoid possible mistakes and misconceptions regarding techniques, tone, and purpose. It has long been recognized in academic and working organizations that a successful performance evaluation operation is difficult to design and even more so to practice. Many organizations have met the challenge, and the Bureau must too.

In the meantime, it is strongly recommended that the Bureau temporarily cease processing and granting monetary incentive awards (e.g. quality increases, superior performance, etc.). In the present management environment, including the absence of performance standards, the incentive award operations often result in increased cynicism and further demoralization rather than motivating the work force. Cases of formal and informal abuses of the system are widely discussed since in the absence of performance standards and evaluated achievement to serve as a foundation for awards, the basis often appears to be political pressure, personal promotion and friendship, and other supposedly irrelevant factors.

As a minimum, the Department should help the Bureau in this respect by conducting an immediate review of the incentive awards operations in the Central Office.

How to implement and timetable

As can be seen, Bureau management must allocate more actual resources and demonstrate more true commitment to the Action Plan for Human Resource Management. This is *not* purely a personnel office effort, although much of the specific leadership and day-to-day work naturally falls there and much of that is being done—but not as much as the urgency of the situation demands.

Many persons outside of the personnel function can and should be assigned to appropriate parts of the work, but so far management and personnel officials do not appear to conceive of and/or permit this use of Bureau resources. A much higher priority and sense of urgency to "get on with it" is required from all.

All of the steps in this Action Plan for Human Resource Management, including the three additional ones recommended (HR 13–15), are part of the normal and regular responsibilities of various "staff" parts of the Division of Personnel Management; and the work accomplished to date has been led and performed by Division personnel. While there is an urgent need for some specified additional resources in various action areas, there should no longer be a need for a Project Manager to be concerned with this part of the total Action Plan—*if* top Bureau and Personnel Division management owns up to and fulfills their leadership responsibilities.

Top management must set overall expectations and deadlines for accomplishment, and periodically monitor progress; and the Division Chief must do likewise in more specific detail, holding his Branch chiefs accountable for setting individual objectives, meeting agreed upon time limits, and recommending appropriate changes in any of these. To whatever extent the present Project Manager has served in these roles, for the sake of the responsible managers themselves and the institutionalization of human resource management progress in the Bureau, the roles must now be fully performed by their rightful owners.

Because of the lack of significant progress to date in the crucial and urgently-needed staffing/developmental thrust represented by HR 1–3, a project manager to help coordinate an action team and get these steps moving is needed. This is shown in Appendix C, which consists of a summary of the HR actions with recommended timeframes and leadership/participating resources.

VII. REASSESSED ACTION PLAN FOR PERSONNEL FUNCTION MANAGEMENT

The tremendous challenges and problems associated with the personnel function (PF) itself within the Bureau were addressed in the September 1976 report under five action steps (pp. 23–24 & 47–50). Basically, it was recognized that this administrative function had to a large extent become part of the problem rather than the solution; that personnel offices and their staffs often were understaffed and limited in their conceptual and technical capabilities; and that personnel operations were sometimes in a state of disarray bordering on the traumatic.

The path out of this dilemma for the personnel function . . . [must] start with actions adequately to staff and train and personnel offices and staffs themselves, [and] the main areas to be addressed are:

Re-defining and clarifying the role of the personnel office function within human resource management

Establishing a program planning system for setting priorities and integrating the activities of the main specialty functions

Developing the function into a coordinated and cooperating network of offices working towards common goals under common concepts, and sharing problem perceptions and solution approaches in order to attain greater efficiency and effectiveness

Improving operational ways of doing business through a Bureauwide systematic study and further application of automated methods

Operating a Bureauwide evaluation program, in cooperation with the Department and the Civil Service Commission, to serve as a self-correcting and self-developing mechanism for problem identification and resolution.

Then—the personnel function should be able to meet both the problems and challenges of its part of the management work to be done . . . Provided—that management recognizes its proper role in human resource management and exhibits the leadership attitudes and behavior congruent with these responsibilities," (p. 24)

The progress made during the past year in the personnel function has consisted mostly of reconstructing and reorganizing the Division of Personnel Management in the Central Office (as already mentioned), more adequately staffing several of the Area personnel offices, and training personnel specialists in certain discrete concerns. Accomplishments cited above under various HR action steps have to a large extent been due to the work of the augmented position classification, staffing, training, and personnel evaluation staffs.

Also, some movement has occurred in preparing statements of function, obtaining written procedural and other material from Area personnel offices, and providing technical assistance to personnel offices Bureauwide.

However, the scope and severity of the improvement needs continue to outweigh the action being taken. The main problems not being addressed adequately (if at all) are the following—and these thus represent the needed steps under the assigned Action Plan for Personnel Function Management:

PF-1.—Establishing a program planning system for setting priorities and integrating the activities of the various specialty functions. While objectives have been developed by each Branch of the Division of Personnel Management, no overall personnel function plan has been established with integrated priorities and a system for continual coordination of efforts.

In some cases the Branch chiefs concerned use performance objectives, work plans with deadlines, and periodic progress reviews with their own staff members. For the Division as a whole, these techniques are not used as generally and effectively as they must be to ensure the success of the massive improvement plans being undertaken.

PF-2.—Developing the function into a coordinating and cooperating Bureauwide mechanism for developing common concepts and for problem sharing/solving behavior. Area personnel offices remain generally isolated from each other—and in many ways from the Central Office—and are not constituent parts of an integrated network. What communications of this type occur are usually dependent upon somebody who happens to know someone else. While several Central Office personnel specialists have been to some or many of the Bureau's personnel offices for various technical assistance, review, and specific problem purposes; and while there has been one Bureauwide meeting of personnel specialists (in staffing) and another for position classifiers and personnel officers is planned for

October—no standard operating procedures are systematized to ensure that different offices are not duplicating each others' efforts in attacking problems or preparing written material.

Various devices that could help the present situation are not being used, e.g. Bureauwide conference calls, distribution of staff meeting minutes, and periodic issuance of a Bureau personnel bulletin/news letter for the personnel function itself. Area personnel office staff members generally feel that the Central Office personnel function is removed from their concerns, and does not provide the active coordination and positive leadership needed.

PF 3.—Improving operations and work methods within the function. While the bitter complaints of managers and supervisors regarding the quality of personnel services and the long delays in processing actions are often due to their own inability to make decisions and take appropriate actions, they are also often due to work methods and practices within the personnel offices which cry out for study and change. No Bureauwide efforts have begun to improve the efficiency of the offices through work flow analysis, forms improvement, performance standard setting, or other recognized techniques for addressing possibly outdated and non-productive work methods and operations.

What Central Office assistance has been given to operations has to a large extent had to be concerned with that office's own operational personnel branches, in Washington, D.C. and Albuquerque. This assistance came only after these problems became so visible and intense that Departmental and CSC concern could no longer be ignored—not to speak of that of the Bureau's own managers and supervisors. There are still no plans for addressing some of the key issues in these two problem areas, such as viable staffing patterns, improved professional service capability, and more effective supervision.

PF 4.—Improving personnel operations through further application of automated methods. The Bureau's present automated system is primarily budget/finance oriented, and is neither designed for nor usable by the personnel function for even some of the common needs such as position control, vacancy lists, skills available in the work force, ticklers on upcoming placement actions, training needs, turnover rates and projections, etc. Further, there is nobody within the personnel function assigned to this problem area or apparently even interested in addressing it.

The tremendous savings in time in personnel operations potentially realizable through the availability and use of automated data—if nothing else—should dictate a change from the present situation. The real benefits would of course lie in bolstering the Bureau's ability to perform those professional personnel services now going wanting such as manpower planning, career planning and development, manpower utilization, and position management.

All of these personnel function improvement needs make it imperative that top management of the Bureau clearly state their expectations of the Chief Personnel Officer; ensure that the specific program objectives and the time-frames for their accomplishment be established in the Division of Personnel Management; assist the Division Chief in making his organization a model for the Bureau in coordinated responsibility ownership; and monitor and follow through with appropriate actions based on degree of progress.

The management leadership and direction of the personnel function is a vital ingredient to the total problem resolution. It would be ironic if the function which has served as the catalyst and "wedge" for identifying general management improvement needs, in turn becomes unable to keep up with the general management progress hopefully about to commence.

Ideally, the personnel function should be leading, rather than just "keeping up" or falling behind.

VIII. AN INDIAN CAREER SERVICE?—ONCE AGAIN, AN ALTERNATIVE OPTION FOR FURTHER CONSIDERATION

At the end of the report last September (pp. 51–52), the question was raised whether the time had come "To give tribal groups the opportunity to establish their own version of a personnel management system for Bureau operations." Continuing:

"Excepted from the various laws, rules and regulations of the 'majority culture' pertaining to personnel management, each tribe which wished to do so would design the type of operation that best fitted its concepts of position structure, compensation, employment practices, etc. Since there is some variation in basic values from tribe to tribe, this alternative recognizes the potential inappropriateness of trying to have one consistent policy or practice throughout the Bureau. If it is true that the Bureau in effect deals with a large number of entities comparable to local governments, scattered throughout the country, why attempt to force conformity when diversity is the rule in actual local government matters in the United States?

"Each school—as has been said recently—may very well be the best organizational entity to set its own qualifications, pay rates, and management procedures for the personnel it needs. Each tribe may be the best judge of how to organize and staff and manage its agency's personnel dimension.

"To have this opportunity now, Indian tribal governments must opt for contracting under PL 93-638, and then still abide by very specific 'majority culture' terms under the contract. Would it be possible to permit one part of the Federal government—the Bureau of Indian Affairs—to operate under a personnel system which had built into it a wide variety of different methods and procedures conforming to and chosen by the various groups of constituents it serves? If the Federal government is serious about giving Indians real choice, why not also the choice of personnel management systems? The manner in which Indian preference is applied, the variety of qualification factors and their relative weight, the elements important to evaluating performance—all of these personnel questions, and still others, could be made the subject of self-determination by each tribe.

"The steps described in the Action Plan are essential to attain effective human resource management as understood in the Federal government. The alternative here raised is the possibility of constructing an entirely different system, as determined by Indian people, but still part of the Federal government."

Apparently no consideration of this "alternative option" ever took place in the Bureau. Now, however, the basic question raised has become "popular" since the American Indian Policy Review Commission's report makes recommendations regarding a separate "Indian career service." Unfortunately, most of the remarks and views expressed on this topic seem to be based on several misconceptions regarding the present system, and on unrealistic expectations concerning such a separate system.

Many of the problems managers find with the present personnel management system are not due so much to the essential nature of that system as they are to the Bureau's lack of understanding of the system, and of imagination and initiative in using it. For example, at the agency level there is nothing in the present system to prevent the filling of positions at the lower grade (and wage) levels through local announcements and lists of eligible candidates from local sources in an expeditious manner. Many other Federal agencies do just that, and do it properly under Civil Service rules and regulations with properly trained personnel.

The point is that the Bureau has not analyzed its needs in this respect and presented to the Civil Service Commission a plan for such decentralized staffing operations, which could cover the huge majority of its clerical, aid and technician, and even some professional (e.g. teacher) occupations—if the Bureau and the Indian tribes wanted to go in this direction.

Similarly, the present system permits the Bureau to develop its own guidelines for both qualification anid classification standards—and, as described above, work in this area is proceeding. Single agency standards, if needed, can also be established and approved; some have been.

The advocates of a separate Indian career service, however, seem to believe that if such a service were established, there would be no rules or regulations concerning classification and qualification standards, position structures, pay levels, training and incentive award operations, etc. Or, whatever rules and regulations there were, they would in effect allow "anything and everything" to occur.

This unrealistic expectation flies in the face of the fundamental facts regarding human resource management in American Society. All Federal government executive branch personnel systems—and there are many excepted from most of the Civil Service system, such as TVA, FBI, CIA, the Foreign Service, and parts of VA—are based on the same basic management principles of equity, responsibility, and standards as is the Civil Service system, and all are approved by Congress and held accountable by the normal process of GAO and OMB.

It is visionary to expect that the very fiber and tone of Federal government management could be discarded in any Indian career service. There would still be standards and equity responsibility for staffing, paying, training and motivating the work force.

Rather than indulging in verbal fisticuffs based on unexamined principles re setting up or not setting up a separate Indian career service, what *would* be beneficial to the Bureau at this time would be to engage in:

1. A comprehensive review of what exactly can and should be done under the present system to solve many of the Bureau's staffing problems by using the system more imaginatively. A 2–3 week intensive project involving appropriate Bureau, Departmental and CSC officials would probably result in changes that would go far to address many of the frustrating and illogical operations about which managers now legitimately complain.

2. A more long-range study of the intriguing possibility of constructing some personnel management systems based on local Indian cultures and values, as mentioned above. Such an effort would at least result in "flushing out" the present unexamined assumptions of a separate Indian career service, and might prove to be one of the most exciting developments in Federal personnel management to date.

APPENDIX A

BIA INTERNAL MANAGEMENT PROBLEMS IDENTIFIED IN THE SEPTEMBER 1976 REPORT

1. The attempt (and failure) of the Bureau to deal with the totally new Indian affairs problems and situations of the past 8–10 years by employing basically the same internal management attitudes, approaches and procedures of the past (p. 4)

2. A historic under-valuation of the significance of internal management in the Bureau (p. 5)

3. A historic absence of the team work approach with mechanisms for identifying common problems and "floating" them up to headquarters for common resolution (p. 5)

4. A lack of continuity in top management leadership which, from the standpoint of managers outside of Washington, D.C., has added up to a lack of Central Office capability to provide real leadership, guidance and assistance (p. 5)

5. A mission, or reason for being, which has become unclear and controversial within the Bureau (pp. 5–6)

6. Deep conflicts within the Bureau regarding fundamental program objectives and roles—characterized symptomatically by Central Office, Area and agency organizational inconsistency, dysfunction and disarray (pp. 6–7)

7. An inability to formulate and issue clear and timely policy guidance (p. 7)

8. A general breakdown in programmatic discipline resulting in procedural inconsistencies among Areas and general violation of rules and regulations (pp. 7–8)

9. An inability to communicate effectively within the Bureau, so that "real" issues and problems are avoided, communications occur only in "crises," and the communication atmosphere borders on discourtesy and crudeness (pp. 8 and 28)

10. No system for evaluating program effectiveness (pp. 8–9)

11. An inability to identify/anticipate problems, develop alternative possible solutions, and make timely decisions (p. 9)

12. A general lack of confidence in or respect for leadership in the organization (p. 9)

13. An inability/unwillingness to understand and/or accept owership of internal management responsibilities (pp. 12–14)

14. The absence of an effective institutional focus for internal management (p. 25)

15. The lack of an effective, clearly identified system for ensuring that (a) organizational arrangements, (b) manpower allocation/utilization, and (c) work methods matters are studied, analyzed, and decided upon in a consistent and timely manner (pp. 26–27)

16. The absence of systems to (a) orient managers to basic management principles, concepts and responsibilities; (b) guide persons to obtain appropriate experience/background for management careers; or (c) identify and appraise candidates with potential for management positions (pp. 29–30)

17. A very limited conception of personnel management, as a burdensome "system" imposed upon the organization from "outside;" rather than a management responsibility to plan for, obtain and utilize human resources needed for program achievement (pp. 12–14)

APPENDIX B

SUMMARY OF ACTION PLAN FOR GENERAL MANAGEMENT IMPROVEMENT WITH RECOMMENDED SEQUENCE/TIMEFRAME AND RESPONSIBILITY

Action	Timeframe	Leadership responsibility	"Dcing" resource
1. Distribute, review, and discuss bureauwide this September 1977 reassessment report.	September 1977	Acting Deputy Commissioner	Project manager, all BIA managers.
2. Announce adoption of BIA action plan for general management improvement (and distribute widely); designation of general project manager; and that 30–40 selected Bureau personnel will be assigned to help implement plan in task force/project team mode.	October 1977	Assistant Secretary for Indian Affairs.	General project manager.
3. (G 1) Establish institutional focus for internal management (Deputy Assistant Secretary for Indian Affairs—Management).	do	do	Chief personnel officer, Director of Personnel, USDI.
4. (G 1) Explain to work force responsibilities of this position, using opportunity to define and commit Bureau to the concepts/principles of management.	do	do	Deputy Assistant Secretary for Indian Affairs, project manager.
5. Select and notify the 30–40 Bureau personnel	do	do	Do.
6. (G 3) Reinstate and complete project to define and clarify Bureau mission and program responsibilities.	October to December 1977	do	Appropriate BIA official as project leader with selected BIA, departmental and tribal officials.
7. (G 3) Develop program evaluation standards for each major program responsibility.	October 1977 to March 1978	Deputy Assistant Secretary for Indian Affairs.	Task force of BIA program officials for each function with tribal representatives.
8. (G 4) Enunciate concept and policy of communications for Bureau; and	October 1977	Assistant Secretary for Indian Affairs.	Project team from 30 to 40 personnel.
Start serving as model for effective communications	Now and continuing	do	Project team from 30 to 40 personnel with input from Division of Personnel Management.
9. (G 6) Define and enunciate expectations re conformance to: Hours of duty and leave regulations; minimum standards of conduct; basic principles of equity; and minimum standards of program commitment.	October to November 1977	Deputy Assistant Secretary for Indian Affairs.	
10. (G 4) Conduct workshops for all managers/supervisors in principles and techniques of communication.	November 1977 to March 1978	Bureau training officer	BIA and "outside" resources, as appropriate.
11. (G 7) Implement actions to address abuses, that is: bureauwide alcoholism program starting "from the top," bureauwide publicized program re misuse, etc.; and bureauwide system for rewarding "doing right."	November 1977 to February 1978 and continuing.	Deputy Assistant Secretary for Indian Affairs.	Project teams from 30 to 40 personnel, with input from Division of Personnel Management and Departmental officials.
12. (G 5) Institute a management development program, that is:			
Identify/develop means for management orientation for all managers, and start "doing it."	January to February 1978	do	Project team from 30 to 40 personnel, with input from Division of Personnel Management.
Develop guidelines for career development into management positions.	March 1978 and continuing	Bureau training officer	
Develop system for identifying and developing management potential.	January to March 1978		
13. (G 3) Develop system and procedures for ongoing program evaluation operation.	do	Deputy Assistant Secretary for Indian Affairs.	Project team from 30 to 40 personnel, with input from administration functions.
14. (G 8) Discuss and determine proper roles and relationships in present organizational arrangement.	do	do	Project team from 30 to 40 personnel, with input from area and CO directors.
15. (G 2) Establish and operate analytical program in organizational, manpower allocation/utilization, and work methods areas.	April to June 1978	do	3 project teams from 30 to 40 personnel, with input from administrative functions.
16. (G 8) Determine what organizational changes are needed in BIA	do	do	Task force (mentioned in Under Secretary's Aug. 1, 1977 statement), with team from 30 to 40.

APPENDIX C

SUMMARY OF ACTION PLAN FOR HUMAN RESOURCE MANAGEMENT IMPROVEMENT WITH RECOMMENDED SEQUENCE/TIMEFRAME AND RESPONSIBILITY

Action	Timeframe	Leadership responsibility	"Doing" resource
1. Announce adoption of reassessed and expanded BIA action plan for human resource management improvement (and distribute widely); and designation of a project Manager for the staffing/developmental thrust represented by HR 1-3.	October 1977	Assistant Secretary for Indian Affairs.	Chief personnel officer (CPO).
2. Assign responsibility to specific person in Division of Personnel Management for designing and operating an action plan implementation/monitoring system.	do	Director of Administration	CPO and his branch chiefs.
3. (HR 1-3) Identify and assign resource personnel needed to accomplish HR 1-3, that is: FT project leader to complete HR 1 (manpower forecasting); FT project leader and temporary/ad hoc participants to accomplish HR 2 (positive recruitment); and FT project leader and temporary/ad hoc action team members to accomplish HR 3 (Indian intake and development).	do	do	Do.
4. (HR 4) Select specific approaches to be implemented to start accomplishing HR 4 (grow more Indian engineers, foresters, etc.); and assign specific responsibilities to designated program/administration officials for implementation and followthrough.	do	Assistant Secretary for Indian Affairs.	Central office directors.
5. (HR 5) Follow through on HR 5 (Indian preference application guidelines) by:			
Setting example in central office	Immediately	Director of Administration	All CO managers.
Conducting explanatory discussions bureauwide re guidelines	October to December 1977	do	All AD's and superintendents.
Orienting personnel offices to show more leadership in application	Immediately and continuing	CPO	Branch of staffing/manpower.
6. (HR 8) Continue qualification standards/guidelines development	do	CPO	Do.
7. (HR 8) Develop qualification guideline for all managerial positions	October to December 1977	CPO	Branch of staffing/manpower with ad hoc management team.
8. (HR 8) Develop guideline for Indian affairs/culture understanding/empathy for all positions with major responsibilities.	November 1977 to January 1978	CPO	Do.
9. (HR 9) Monitor and follow through on bureauwide training effort re qualifications rating.	Immediately and continuing	CPO	Branch of staffing/manpower.
10. (HR 9) Identify and develop improved means for assessing and ranking candidates.	September 1977 to February 1978.	CPO	Do.
11. (HR 9) Design improved procedures for assessing candidates for "key" positions, including managerial qualification form and management appraisal and screening board.	do	CPO	Do.
12. (HR 10) Issue updated policy guidelines for tribal consultation on personnel selections.	October 1977	Deputy Assistant Secretary for Indian Affairs.	CPO.
13. (HR 10) Design and operate monitoring system re proper implementation of these guidelines.	do	Director of Administration	CPO with ad hoc management team.
14. (HR 11) Continue preparation and issuance of policy directives, provision of technical assistance, and conduct of classification studies and guideline projects, in accordance with an objectives/deadline plan.	September 1977 and continuing	CPO	Branch of classification.

15. (HR 11) Take actions and set example to insure that managers understand and "own" their position management classification responsibilities.	October 1977 and continuing	Deputy Assistant Secretary for Indian Affairs.	CPO with ad hoc management team.
16. (HR 12) Develop and implement bureauwide plan for continuing periodic communication meetings for managers/personnel staffs.	do	Director of Administration	CPO and branch of training/employee development.
17. (HR 13) Develop and implement effective orientation program, including such items as central office model program, bureauwide use of films re Bureau and Indians, orientation/training program for new clerical employees, assignment of responsibility for monitoring orientation to specific employee in each agency/area office/co unit.	October 1977 to March 1978	CPO	Branch of training/employee development.
18. (HR 14) Develop and use appraisal device for "screening out" non-Indian candidates unable to accept Bureau/Indian commitments/values.	October to December 1977	CPO	Branch of staffing/manpower.
19. (HR 14) Develop policy and guidelines for use of limited/term appointments for non-Indian hires.	January to June 1978	CPO	Do.
20. (HR 15) Put into meaningful operation the Bureau's performance evaluation system by:			
Top management setting example in performance expectation discussions with area and central office directors.	October 1977 and continuing	Assistant Secretary for Indian Affairs.	Temporary project leader/facilitator.
Designating and using a temporary project leader/facilitator to assist top management.	October 1977	Deputy Assistant Secretary for Indian Affairs.	Director of Administration.
Requiring all subordinate managers "to do likewise" down the line	October 1977 and continuing	do	CPO and branch of employee/labor relations.
Monitoring their performance of this responsibility	do	do	Do.
21. (HR 15) Cease processing and granting monetary incentive awards bureauwide until: performance evaluation process is effectively implemented (with performance standards/objectives); Department has reviewed central office incentive awards operations	October 1977	do	Do.

[COMMITTEE PRINT]

BUREAU OF INDIAN AFFAIRS MANAGEMENT STUDY

SECTION 2 STUDY PROVISION: REPORT ON BIA MANAGEMENT PRACTICES TO THE AMERICAN INDIAN POLICY REVIEW COMMISSION

SEPTEMBER 1976

Printed for the use of the
American Indian Policy Review Commission

U.S. GOVERNMENT PRINTING OFFICE
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LETTER OF TRANSMITTAL

WARREN KING AND ASSOCIATES, INC.,
CONSULTANTS TO MANAGEMENT,
Chicago, Ill., September 1976.

Senator JAMES ABOUREZK,
Chairman, American Indian Policy Review Commission, Congress of the United States, House Office Building Annex No. 2, Washington, D.C.

DEAR SENATOR ABOUREZK: We are pleased to present this report containing the findings and recommendations of the Bureau of Indian Affairs Management Study. As mandated in the enabling legislation of the commission, the private and public sector have pooled their knowledge in this important undertaking. The study teams have identified problems and developed recommendations to assure delivery of services to Indian people in an effective and expeditious manner. As a result of this work, it is apparent that aggressive implementation is crucial if self-determination is to be a reality for Indian people.

The members of the study teams—who have provided more than 4,000 hours of their time—have demonstrated outstanding dedication, capability and devotion. This contribution, on a voluntary basis from industry and education, has made it possible to add a dimension to the work of your commission which provides unique objectivity through a third-party point of view. All members of the study team came to this project with limited knowledge of Indian affairs or their traditional problems. As a result, conclusions reached have been accomplished without prior prejudice or commitment.

This opportunity has been a rewarding experience for each team member. Furthermore, the participation, cooperation and interest of federal employees, the commission and Indian people were invaluable. Without their helpful attitude and desire for progressive improvement, this task would have been impossible. The remaining and most important step in implementation is for the Executive Branch, Congress and the American people to act positively to bring about constructive change.

Sincerely yours,

WARREN KING AND ASSOCIATES, INC.

AMERICAN INDIAN POLICY REVIEW COMMISSION, BUREAU OF INDIAN AFFAIRS, MANAGEMENT STUDY

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FOREWORD

The Bureau of Indian Affairs (BIA) is the largest and one of the oldest bureaus in the Department of the Interior. It was originally created in the War Department in 1824 and later transferred to its present departmental location in 1849. The bureau has approximately 18,000 employees, including part-time staff, and has a fiscal 1977 budget of over $1 billion. Headquarter offices are located in Washington, D.C., and Albuquerque, New Mexico. Field operations consist of 12 area offices and 82 subordinate agency offices serving over one-half million Indian people. An extensive school system is operated by the bureau, while health services are provided by the Indian Health Service of the Department of Health, Education and Welfare. Services rendered are many and diverse—for example, road construction and maintenance, community development, law enforcement, tribal organization and others. Thus, the bureau is a complex organization that is vulnerable to inefficiency.

The bureau is a frequent target of criticism both by the Indian people and Congress. Therefore, numerous studies have been undertaken by various federal agencies and other organizations. The last major comprehensive review was the Meriam Report of 1928, which helped foster widespread reforms during the 1930s. However, since the original intent of these reforms has been compromised and distorted, urgent problems and confusion as to Indian goals and actions led to the creation of the American Indian Policy Review Commission. The commission, created by the United States Congress in early 1975, consists of three members each from the Senate and House of Representatives, five distinguished Indian leaders and a support staff of 27 specialists. Their goal is to conduct a comprehensive review of the historical and legal developments underlying the unique relationship between the federal government and the Indian people in order to determine the nature and scope of revisions in policies and programs for the benefit of Indians. In recognition of the complexity of the commission's mission, 11 specific task forces have been organized. While enabling legislation created a commission with a broad latitude to examine Indian problems, it specified that a management study of the BIA, utilizing people from both the public and private sector, be a part of the total effort. Specifically, task force three—Federal Administration and Structure of Indian Affairs—was charged with fulfilling this mandate. Participation of the private sector has been a critical element to ensure both objectivity and appropriate management expertise.

Study Approach

The initial step in the BIA management study was a preliminary survey undertaken in Washington, D.C., and Albuquerque, New Mexico, to identify activities of the bureau's central, area and agency offices. The purpose was to determine appropriate scope and objectives for the review which would enable study teams to measure the management effectiveness of federal activities on behalf of the Indian population. As a result of the survey, the following objectives were established:

Pinpoint and evaluate key decision points, the amount of discretionary authority exercised and the level of Indian participation in the budget process.

Identify and assess manual and automated information systems used to manage, evaluate and control the bureau in order to determine needs and shortcomings, including possible economies and efficiencies.

Examine present personnel activities and employee relations techniques to determine if the bureau is responsive to the Indian people.

Identify and evaluate the management relationships which exist between the Indian people, the BIA and other government agencies to determine the most effective methods for delivering services.

Eliminate unnecessary duplication of previous management and organization studies by reviewing their conclusions and recommendations.

In making the study, both BIA field offices and tribal councils were visited. Although field activities during the study were limited, every effort was made to ensure a representative sampling. Both area and agency offices as well as tribal councils were selected on the basis of Indian people served, number of bureau employees, organizational units, geography and other characteristics which would provide an appropriate cross-section for examination of horizontal and vertical lines of operation.

The study chairman, an Indian business executive and special consultant on loan to the commission staff, was responsible for securing loaned executives and general supervision of the project. Ten executives, managers and technical specialists from the business and academic community, worked on a full-time basis for nine weeks to complete the study. In addition, two Indian commission employees participated to provide guidance on Indian points of view. Reviews of specific management functions were assigned to three teams, each directed by a leader. An executive committee was organized, consisting of three team leaders and an Indian member of task force three. The committee met periodically to exchange ideas and review findings and recommendations. All report material was carefully examined and unanimously approved by the committee. Program direction was supplied by the Chicago-based consulting firm of Warren King and Associates.

Three functional teams were assigned to review the budget process, personnel management and management information. After a brief orientation period, team members spent one week in Washington interviewing bureau personnel, gathering data and formulating issues to pursue in subsequent field research. Immediately thereafter, volunteers regrouped into two travel teams which included members of each functional area. A third group remained in Washington to review prior management studies. The next three weeks were concentrated on visits to two area, four agency and seven tribal offices, as well as the Albuquerque Administrative Services Center. After individual field investigations were completed, members met to exchange information and to ensure consistent findings. During the last five weeks, team members regrouped into functional areas and continued their interviews with bureau personnel in Washington while developing and writing the final report.

Throughout the review period, teams discovered a need to continually evaluate BIA organization structure. Although a comprehensive organizational study was beyond the scope of this project, it became evident that an organizational approach must be developed to reinforce other review proposals. A week was devoted to this effort, resulting in a fourth major topic area dealing with structure. Here the focus was on BIA internal alignment and no attempt was made to evaluate the relationship of BIA within the federal government organization.

During the review more than 250 federal employees and tribal representatives—including former bureau commissioners—were interviewed. These individuals were cooperative and provided useful information.

Report Organization

Review efforts have produced proposals to improve the delivery of federal services to the Indian people. They are highlighted in Section I, Executive Summary. It includes a discussion of the implementation of study results and suggests appropriate considerations to aid the bureau in achieving improvements. This approach may also serve as a model for implementation of the commission's total effort. Findings and recommendations are discussed in detail in Section II, Functional Reports. This section is divided into three areas—Budget Process, Personnel Management and Management Information. A new organizational approach is discussed in Section III, Organization Structure. To provide additional guidance, Section IV, Implementation, proposes a positive approach for accomplishment of change. Section V, Digest of Recommendations, lists 23 specific recommendations and illustrates the implementation action required as well as the financial impact of the proposals. Members of the review teams are confident that these proposals can provide substantial benefits for the Indian people.

Essentially, this review has been a critique of the bureau and its management practices. As such, it highlights improvement areas and does not adequately identify the dedication and skills of individual bureau employees. The assistance of these people as well as the various tribal leaders is gratefully acknowledged. Their cooperation enabled the review teams to accomplish their assignments expeditiously and added immeasurably to the value of the project. The report provides a base for continuing efforts on the part of the federal government to improve its relations with the Indian people.

Section I. EXECUTIVE SUMMARY

The mandated Indian preference policy in personnel actions is being implemented, although with some harmful effects on overall bureau effectiveness. Indian participation in the budget process is a positive step toward achieving self-determination. Procedures are being issued to implement the contracting provisions of Public Law 93-638.

The Division of Automatic Data Processing is also conducting a comprehensive modernization study to update its services. A personnel management project director has been employed recently to spearhead specific improvements in personnel practices. In addition, Management by Objectives (MBO) techniques are being used in a number of locations.

Prior Assessments of BIA

Numerous studies have been carried out over the years by other task force groups, committees, consultants, Indian organizations, federal agencies and individuals. All have identified problems and made specific recommendations. In establishing the objectives for this study, it became obvious that a comprehensive review of these materials should be made.

A search of prior reports on BIA operations was implemented to pinpoint recurring references to topics tentatively identified as potential problem areas. The purpose was to establish a basis for comparison with findings of the current study and to ensure that all pertinent problem areas would be covered.

Over 75 representative reports written during the past 25 years were evaluated, including several comprehensive studies and subsequent updates plus a large number of topical reviews made in the last 5 to 10 years. With occasional exceptions, the studies were initiated by Senate and House committees or the Executive Branch. In general, the reports were prepared by staff groups within these branches including the House Appropriations Committee, Civil Service Commission and BIA. Occasionally, special task forces were established while, in other cases, members of the private sector studied Indian problems.

For this analysis, 75 reports were grouped into 23 categories which combined similar short reveiws. These are indicated in Appendix Exhibit I, Prior Assessments—Listing of Titles and Title Categories. Of the more than 60 topics of specific interest identified by the report review, five general areas were summarized which apply to the broad subject of management as shown in Appendix Exhibit II, Summary of Prior Management Asessments. The five major management topics considered relevant to this current study are:

> Management, including administration, authority, organization, planning and the like. Nineteen of the 23 report categories identify problems in these areas.

Accounting, which includes the budget process in its eight subject areas, was treated in nine categories.

Management information on all administrative levels was referenced in nine categories.

Personnel management and 15 related matters pertaining to the effective utilization of human resources were found to be a problem issue in 15 categories.

Intergovernmental relations, including BIA's relations with other Executive Branch agencies, Congress, state and local governments, were identified in 14 categories.

A sixth major topic encompasses programs, facilities, natural resources, government policies and financing. This general area is detailed in Appendix Exhibit III, Summary of Prior Service Assessments. The analysis has shown that prior studies directed somewhat more attention to this area than to the management practices and related functions which provide the services. Appendix Exhibit IV, Details of Management and Service Assessments, lists all 60 problem areas within the six general topics.

The results of the search indicate that many areas of potential problems have been previously identified. Within the management classification, management practices, personnel administration and intergovernmental relations received the most attention. Accounting, including the budget process, and management information—both extremely important to effective management—received substantially less emphasis.

An evaluation of prior studies strongly suggests that findings related to the management principles of planning, organizing, leading and controlling have not been given sufficient emphasis. Elements which require increased attention are:

Recognition that management ability is just as essential to program success as capital.

Provision of executive leadership at all organizational levels.

Development of comprehensive, timely information for use by bureau personnel to ensure effective planning and control.

Installation of an improved communications system throughout the bureau.

Utilization of long-range planning to direct bureau activities.

Implementation of recommendations.

Many of the prior assessments of the BIA identified similar problems and resulted in appropriate recommendations. However, these past efforts fell short of their objectives because the apparatus for implementation was not present. As a result of these findings, the recommendations of this review team are presented with an implementation section to overcome potential obstacles.

Conclusions

During this nine-week intensive examination, the following conclusions were reached. There is a notable absence of managerial and organizational capacity throughout BIA. Decisions are made on a day-to-day basis with little long-range planning. Communication among the organizational levels is poor as are agency-tribe relationships.

Evidence of critical analysis and determination of appropriate performance standards for key positions is almost nonexistent and achievements in most areas are not measured against appropriate yardsticks. There is a critical absence of information essential to efficient administration. Frequently, data as basic as simple performance comparisons were not available. Directories and organization charts were often out of date.

Employee attitude and overall morale suffer dramatically as a result of these inadequacies. The sitaution is further aggravated by the effects of implementing Indian preference, uncertainty over the effects of Public Law 93–638, poor personnel practices and inadequate career development.

Recommendations

The proposals presented in this report are meant to serve as the basis for specific improvement of BIA operations, policies and procedures. Recommendations have been made on the most critical areas of bureau management policy, especially those issues which would produce the greatest impact for Indian people. These areas include budget, personnel, management information and structure.

The budget process is unique to the extent that the client is supposed to formally participate in the budget request through Band Analysis. However, long-range planning capabilities do not exist while the organization of the budget and the planning function is fragmented and ineffective. To increase the effectiveness of the budget cycle, a formal planning system must be created as part of the budget process. It must include comprehensive tribal needs analyses and long-range plans. This formalized planning system should act as the vehicle to guide allocation of capital and human resources into strategic areas.

The functions of budgeting, planning and intergovernmental relations should be consolidated. This new central office organization would report directly to the Commissioner of Indian Affairs and should have functional responsibility for similar operations at lower organizational levels. This would improve coordination of these related activities. Throughout the preparation and presentation process, the bureau should foster increased Indian participation in the development of budget information and materials. Implementation will provide increased visibility for Indian needs and plans.

Almost every area of personnel management in the bureau is inadequate. The present interpretation of the Indian preference policy adversely affects all personnel actions taken by the bureau. The application of Indian preference should be modified to ensure effective operation without impeding progress toward the fullest employment of Indians in the bureau. A planning system should be developed utilizing industrial engineering techniques to determine proper staffing levels and position requirements. Savings in administrative costs could be redirected to program areas. An aggressive recruiting program must also be put into effect to secure both qualified and trainable Indians. The current classification function must be reorganized to restore integrity.

Employee relations practices require substantial changes. The means to accomplish this effectively is through consistent, formal training. Since training activities need improvement at all levels, a comprehensive needs analysis should be undertaken and programs developed to meet specific requirements. The Civil Service Commission should continue to review personnel management activities in BIA. The project manager's assignment to correct deficiencies in personnel management must be continued and emphasized.

A modernization study is underway to update the data processing function. However, the estimated implementation schedule should be moved ahead 50% while equipment revision should include multiprocessing and communication abilities. Automated inventory systems should be developed on a centralized basis. The potential financial benefits would be substantial.

Management by Objectives must be revised to set goals flowing upward from lower operating levels with guidelines flowing downward from upper management. It should be integrated into the budget process along with employee performance evaluations.

The present structure of the bureau is better suited to serve a single, common need, client base. However, Indian people have differing needs which require a variety of services. The current organization is characterized by a lack of communication, excessive spans of control and ineffective leadership. There is little evidence of preparation for the future impact of Indian self-determination. Indian input and proximity to decisions is minimal while bureau response time is excessive.

A new organization concept has been developed to move decision-making closer to the tribal level and provide dramatic leadership. The recommended approach is based upon separation of functional and administrative responsibilities. This concept will permit the elimination of 12 area offices and the creation of six regional service centers. This calls for a major change in the responsibilities assigned to new regional service center managers. Agency offices would have more responsibilities and a change in name to local service centers. Two consolidated functions—Human Resources and Natural Resources—would be established at the central office. The reporting relationship between school superintendents and the bureau would be strengthened and a mechanism for Indian participation in educational decisions would be established. Conflicts between the bureau and the Department of the Interior can be partially resolved by elevating the commissioner's position to that of an Assistant Secretary.

The bureau must have its own legal staff to provide timely attention to Indian needs. Establishing a separate entity in BIA will overcome existing conflict of interest problems in the Department of the Interior.

Benefits

As a result of this study, 23 recommendations have been formulated to improve management activities in the bureau. These are detailed in the following sections. Implementation can be accomplished by executive action.

The primary objective of the review was to focus on problem areas needing immediate attention. Whenever possible, exact dollar savings were quantified. Improved efficiency is anticipated as a result of all recommendations. Similarly, anticipated costs of implementation have also been included. Both savings and expenditures were projected on the basis of brief analyses and may not reflect all elements involved. The total annual financial impact of the recommendations is shown in the following table:

ANALYSIS OF POTENTIAL BENEFITS

	Annual	One-Time
Savings	$112,800,000	$20,000,000
Cost avoidance	10,000,000	
Cost	272,000	830,000

The above figures include annual savings of $11-million which can be attained through implementation of the suggestions on organization structure. Savings and costs related to staff levels were calculated on the basis of average bureau salaries. It is anticipated that most staff reductions can be implemented through attrition or reassignments to other federal agencies.

Implementation

A number of problems which reduce BIA effectiveness have been identified in this study. Proposed solutions and anticipated benefits are described in following sections. To preempt the possibility this study will suffer from lack of implementation, Congress must act to develop a positive vehicle to expedite accomplishment. First, Congress must give the report formal, general endorsement of concept and interest. Then, a Management Improvement Implementation Review Office—organizationally located in an appropriate management division of the Office of Management and Budget (OMB)—should be established.

Quarterly reports and interim updates in special situations should be distributed to the Commissioner of Indian Affairs, the Secretary of the Interior, appropriate congressional committees and the Executive Office. These official documents will indicate implementation progress and pinpoint delays and problems. In addition, management team members should provide counsel and periodically review implementation strategy with review office personnel. Finally, the commissioner and the Secretary of the Interior should be required to highlight essential features of these reports in annual budget presentations to Congress.

SECTION II. FUNCTIONAL REPORTS

Budget Process

The United States budget is a financial plan indicating program priorities and a fiscal policy tool reflecting the economic health of the federal government. The budget process is composed of four parts:

Executive formulation and transmittal.
Congressional action.
Execution and control.
Review and audit.

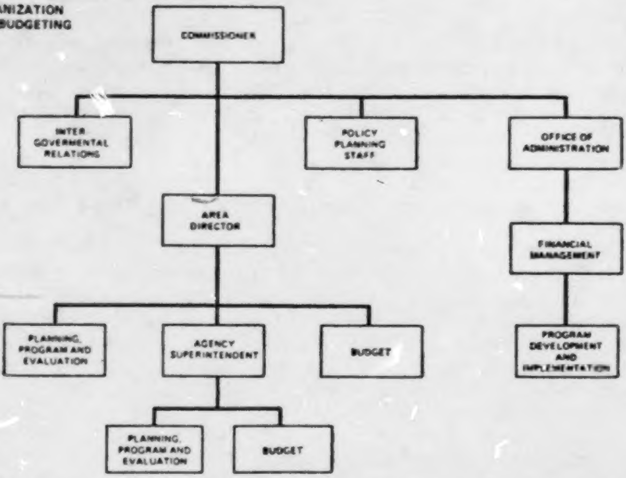
This section focuses on formulation and transmittal and on execution and control.

The fiscal 1977 BIA budget totaled more than $1 billion. Of this, miscellaneous appropriations and trust funds provide $313 million. In addition, approximately $500 million is provided by other federal departments. Next January, the President is scheduled to submit the budget request for fiscal 1978. This is the culmination of a process which began in the spring of 1976. At that time, the Office of Management and Budget provided the Department of the Interior with Target Planning Allowances (TPA)—estimates of funds available for fiscal 1978. TPAs are subsequently allocated among various Department of the Interior operations. Some bureaus formulate their budgets centrally. However, the Bureau of Indian Affairs is unique because the client formally participates in the budget process through Band Analysis which allows tribal councils to set priorities for selected programs.

Present Operations

To understand the budget process, as well as to appreciate the key decision points in the process, it is essential to understand those portions of the organization directly involved. An organization chart, Present Organization Planning and Budgeting, is found on the following page. The Bureau of Indian Affairs consists of a central office, 12

PRESENT ORGANIZATION
PLANNING AND BUDGETING


COMMISSIONER
INTER GOVERNMENTAL RELATIONS
POLICY PLANNING STAFF
OFFICE OF ADMINISTRATION
AREA DIRECTOR
FINANCIAL MANAGEMENT
PLANNING, PROGRAM AND EVALUATION
AGENCY SUPERINTENDENT
BUDGET
PROGRAM DEVELOPMENT AND IMPLEMENTATION
PLANNING, PROGRAM AND EVALUATION
BUDGET

area offices and 82 subordinate field installations (agency offices) located throughout the country. Each area office is under the supervision of a director who typically controls several agencies.

The Commissioner of Indian Affairs establishes policies; directs total operations; and represents the bureau in its relations with Congress, other federal departments and agencies, the Indian people and the public. He is aided in internal bureau management by a Deputy Commissioner and other assistants.

The Policy Planning Staff as established defines the bureau's mission, policies and objectives; establishes long-range plans in coordination with governing legislation, approves budgets and program evaluations; identifies strategic problems; develops forecasts; and sets objectives which reflect the future needs of the Indian people and the bureau.

The Office of Administration provides staff support in the development and management of bureau programs; initiates audits; handles automatic data processing operations, budget, facilities engineering, energy conservation, finance and accounting, management research and evaluation, personnel management, procurement, property management, contracting, program development and implementation and safety management; administers bureauwide systems for fiscal accounting and disbursements as well as payroll and personnel records; operates a computer service center; provides for architectural and engineering services for new facility construction; and supplies administrative and housekeeping services for the central office, eastern area and Indian Arts and Crafts Board.

Financial Management develops policies, programs and guidelines for financial management functions; identifies budget-cycle performance activities; and operates fiscal accounting, compensation and employee data systems.

Program Development and Implementation assists Financial Management with budget-cycle functions; implements policies and program goals through the budgetary process; develops annual program-plan instructions; reviews program requests and proposed tribal plans; develops bureauwide program planning documents, budget estimates and justifications; prepares budget legislative hearings, field planning allowances and tentative allocations; performs budget execution functions including continuing resolutions, finance system encoding programs, fund allotments, personnel reviews, funding analyses and condition report exceptions between planned and actual conditions.

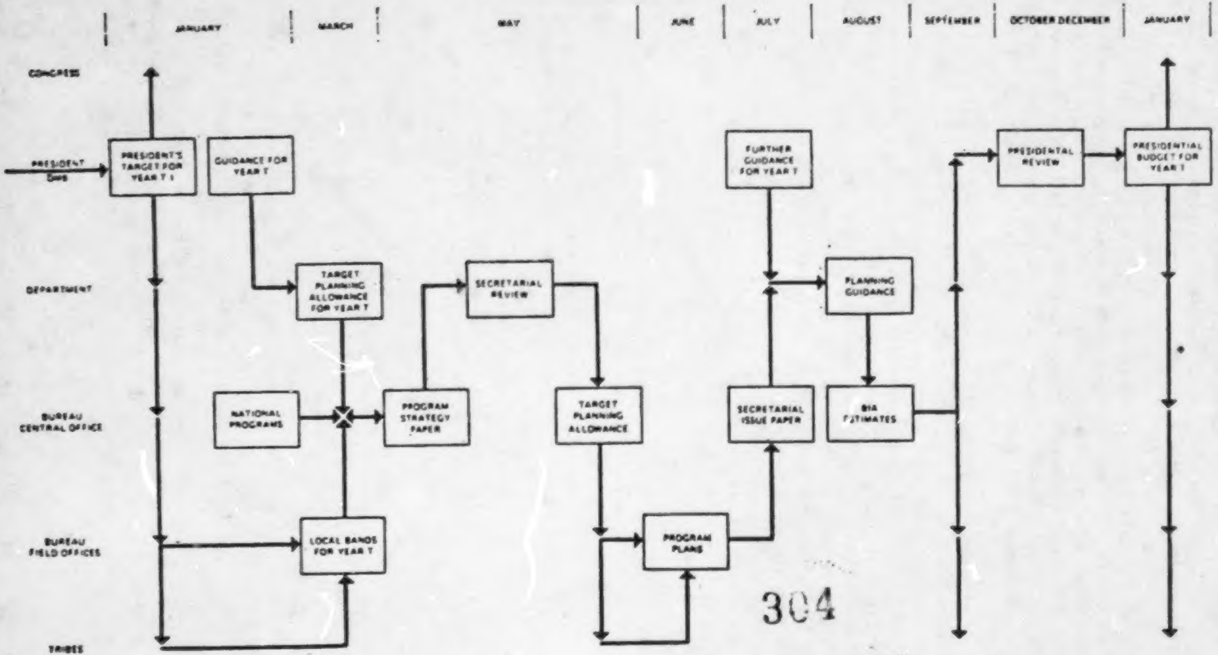
At present, Financial Management is responsible for budget formulation. However, a separate Policy Planning Staff reports directly to the commissioner. This same separation also exists in many area and agency offices between the Planning, Program and Evaluation (PPE) staff and the budget function. As a result, the forward planning function of the budget cycle is separated from the monitoring activity. At present, the Policy Planning Staff is not responsible for direct analysis or long-term planning and no planning function is designated at the area and agency levels.

Formalized communications do not exist between the Policy Planning Staff and areas, agencies and tribes. The relationship between the central office and area PPE budget function is one of downward procedural information and upward consolidation. The same basic budgeting relationship exists between the area and the agency. However, communications between the agency and the tribe occur during the budget planning phase but not during the budget monitoring phase.

The headquarters staff provides program allocation information to 12 area offices. Area staff compiles a majority of the budget estimates but allocates responsibility to agencies for some local programs. Tribe participation consists of indicating spending preferences through Band Analysis at varying levels of total funding—96%, 106% and 116% of the previous year's outlays. These percentages reflect a 6% traditional annual increase. The agency budget estimate, signed by the superintendent and tribal representatives, is subsequently forwarded to the area office where areawide estimates are compiled and sent to the central office. Bureau estimates are incorporated into a Program Strategy Paper for review by the Secretary of the Interior.

An Office of Management and Budget flow chart, Budget Preparation System, on the following page indicates bureau budget reporting relationships: Congress, the President (OMB), Department of the Interior, BIA headquarters, area and agency field offices and tribal entities. This flow chart highlights the integration of national programs with local band activities and TPAs which form the basis of the Program Strategy Paper prepared by the bureau for the Secretary of the Interior. A more detailed illustration of the budget development is shown in Appendix Exhibit V, Budget Development Action Sheet, where key decision points in the budget process are highlighted.

BUDGET PREPARATION SYSTEM


JANUARY
MARCH
MAY
JUNE
JULY
AUGUST
SEPTEMBER
OCTOBER DECEMBER
JANUARY
CONGRESS
PRESIDENT
OMB
DEPARTMENT
BUREAU
CENTRAL OFFICE
BUREAU
FIELD OFFICES
TRIBES
PRESIDENT'S TARGET FOR YEAR T 1
GUIDANCE FOR YEAR T
TARGET PLANNING ALLOWANCE FOR YEAR T
NATIONAL PROGRAMS
LOCAL BANDS FOR YEAR T
PROGRAM STRATEGY PAPER
SECRETARIAL REVIEW
TARGET PLANNING ALLOWANCE
PROGRAM PLANS
FURTHER GUIDANCE FOR YEAR T
SECRETARIAL ISSUE PAPER
PLANNING GUIDANCE
BIA ESTIMATES
PRESIDENTAL REVIEW
PRESIDENTIAL BUDGET FOR YEAR T

Banded program outlays represent approximately $351 million of the total $1 billion BIA budget, while non-banded programs account for $392 million for fiscal 1977. In addition, $313 million in miscellaneous appropriations and trust funds are also outside of the banding process. Thus, more than half of the budget is not determined by Band Analysis. A complete listing of program allocations is shown in Appendix Exhibit VI, Banded/Non-Banded Program Funding—Fiscal 1976 and 1977. Non-banded programs include road construction, major irrigation projects, grants, aid to public schools, off-reservation boarding schools, facilities maintenance, Indian Action Teams, business development and other items. The following criteria are used to justify non-banded central office programs.

Local projects under evaluation.

High-cost, short-term projects impossible to fund and maintain at an agency level.

Direct-level programs where allocations are specified by department, Congress, courts or OMB.

Non-BIA funded programs where appropriation levels are specified by other organizations or where no discretionary opportunity exists for program revision.

Short-term programs with specific legislative authority.

Nonagency programs involving Indians beyond BIA or area jurisdiction.

Start-up expenses for new, high-cost projects.

Major shifts in program emphasis (out of band one year until operating experience is gained).

Exclusive, centralized programs with field allocations.

Trust programs with unpredictable funding requirements.

Band Analysis is initiated through an audio-visual presentation to tribal leaders. Following this, the tribe is given a form on which to indicate local funding priorities. This form is found in Appendix Exhibit VII, Band Analysis—Local Funding Priorities—Fiscal 1978. This lists all programs budgeted at the agency level and shows dollar entries in the base year for all agency-level programs in the band. Tribal leaders are given a total target figure for banded programs (based on the TPA). Space is provided to indicate targeted dollar amounts for each banded program as well as high/low alternatives to express outlay priorities. An opportunity also exists to indicate an unconstrained level of funding for an "optimum but realistic" budget.

Evaluation

The following set of criteria can be applied to any budget formulation process to emphasize several factors that are necessary for effective budgeting. Within BIA, some are fully supported, while most are weak, as indicated in the following discussion.

The budget must have top management support. It is important for all managers to utilize the budget to plan, control and improve the organization and its services to tribal entities. Failure in this vital objective challenges the validity of the budgeting process. Equally important, all line and staff managers should understand that the commissioner and his staff are committed to adequate planning.

A definitive organization structure and decision-making process must exist. Although the present organization contains stated budget functions, in some instances the budget formulation and control functions at the area level are organizationally separated. This type of structure limits direct communication and fosters misunderstanding. Responsibility for some programs is unclear because activities are split between Band Analysis and central office administration.

Budgeting systems must be planned with Indian participation. Although the budget process is planned within BIA, it is not formally linked with any long-range planning program. As a result, the planning process only extends 18 months into the future—hardly a long-term time frame.

Budget-system responsibilities must be fixed and understood. Budget-planning information flows downward in the organization from central office to area, agency and tribal entities under the assumption that each level understands and follows instructions. However, this is not always the case. As a result, actions at lower levels are somewhat different than intended. The central office must assume a much stronger role in defining to the field—particularly at the agency level—the purpose of the budget and its limitations. Apparently, the audio-visual presentation is not communicating the budget process clearly in the field.

Budgets should not dominate decisions. The budget staff provides minimal input into the decision-making process. Program directors dominate decisions on fund allocation because of their control in program determination.

Technical jargon should be minimized. The BIA budget performs exceptionally well in this area. Technical and accounting jargon are generally nonexistent.

Budgets should have clearly stated objectives for improved performance evaluation. The present budget system only measures the funds spent or obligated against the amount budgeted. It does not include any measurement procedure for determining results. Thus, the effectiveness of managers, organizations and programs are not measured. The budget process is capable of performing these important control functions. The present Management by Objectives (MBO) program, if strengthened and combined with the budget function, could provide an improved measurement tool.

Proper understanding of budget purposes and limitations must be clarified. Tribal willingness to learn and understand the budget system exists, but effective leadership at the BIA agency level is deficient. A mechanism to ensure organization understanding should be installed. Care must be taken to prevent the budgeting system from becoming complicated.

Program budgets should not be either deliberately overstated or understated. Variances between budgeted amounts and actual outlays should be identified with no superficial or inadequate justification permitted. Improper charges to accounts with surplus monies should not be allowed.

There must be participation in the development and use of the budgets. Tribes should become full participants in the budget process. This implies more complete information at the tribal level. Many tribes do not believe they play a meaningful role in the budget process.

Band Analysis permits clients to participate in setting very few agency service priorities. Client participation is a logical and laudable objective and should be supported to improve relations between the Indian community and the government. In addition, such participation is a legal requirement under the Indian Reorganization Act of 1934 which prescribes communication of tribe requests to OMB and Congress.

However, there is a larger issue in regard to client participation which should be noted. The bureau's budget is about two-thirds of the total federal funding for Indian programs. Moreover, less than 50% of the bureau's budget is subject to any form of Indian participation. Hence, the extent of present involvement cannot be interpreted as Indian determination of federal spending priorities. Effective tribal participation would include client evaluation of all department programs, not just a portion of BIA expenditures. Under the present system, a tribe can make tradeoffs within the BIA budget which accurately reflect relative priorities and yet receive a total package of goods and services which does not meet those priorities due to insufficient influence on other federal programs.

Tribal participation is desired by the BIA. Although federal funding does instill some constraints, tribal input into the budget process can and should be improved. The Band Analysis concept as used by BIA is indicative of a concentrated effort to obtain tribal viewpoints. However, many Indians today are dissatisfied with it. Some current issues and problems are:

In developing some tribal programs, BIA planning activities are aligned to a budget process which furnishes projections for periods of approximately 18 months. However, extensions of program plans beyond the upcoming fiscal year are not included in the formal budget system.

Tribal leaders are uninformed regarding budget concepts and their ability to make changes.

Participants are given sketchy information, typically, a single base year dollar figure for a particular program without a detailed breakdown.

Tribal participants have only a short time to make their decisions. A typical time span is 48 hours from initial presentation of information to final decision.

Band programs are determined by BIA and change from year to year. Reasons for banding are not explained to tribal leaders. The superintendent or even the area director may also be unaware of this explanation. Some problems are caused by area or agency ignorance of the bureau's budget instructions.

Additionally, there appears to be a central office trend toward withdrawing programs from Band Analysis. These changes seem to be based on several factors. For instance, some feel that it is easier for advocates to sell Congress a particular program when it is not on the band and central office directors believe they have federal expertise in dealing with certain problems. While they feel more capable of coordinating programs with other federal departments and agencies, they are not effective. Another factor, placing the major emphasis on tribal decisions, could present morale problems in central and area offices.

These administrators would lose influence and would be required to rely on tribal councils for input. Finally, tribal participation may dilute trust responsibility. However, this has not been evidenced.

Large amounts of budget funds are under the control of area offices. Unless an area director is proficient at communication, there is no guarantee that either agencies or tribes have appropriate administrative knowledge concerning these area office funds. This probably accounts for much of the antagonism between tribal councils and area offices.

BIA long-range planning does not deal with the future beyond an 18-month time span. This system prevents effective decisions regarding future goals. Dollar availability of TPAs does not adequately cover the financial requirements of individual tribes. A comprehensive needs analysis and a planning vehicle which is closely coordinated with the budget process are necessary to effectively fulfill the BIA mission among Indian tribes, particularly in emergencies. The Preston Report issued in May 1971 stresses that there is an "absence of careful planning before announcing and attempting to carry through some major new policy directions." As a solution, the report recommends better planning for Indian self-determination and systematic involvement of Indians in BIA policy and program decisions.

A basic conflict exists between advocates of Indian self-determination and the constraints imposed by the budget system. On the one hand, the purpose of self-determination is "To provide maximum Indian participation in the government and education of the Indian people, to provide for the full participation of Indian tribes in programs and services conducted by the Federal Government . . ." Nevertheless, funds for such programs and services are funnelled through the BIA budget preparation system which operates under constraints such as: finite availability of funds; federal trust responsibility for some Indian-owned resources; financial impact of other federal programs on BIA expenditures; departmental, presidential and congressional assurance that public funds are being used in an appropriate manner; and court decisions, legislative actions and program commitments which, at least in the short-run, introduce an uncontrollable element in some BIA programs.

Thus, a balanced environment is needed to provide an effective vehicle for Indian self-determination within the constraints of the federal system. The evaluation and recommendations which follow recognize this requirement.

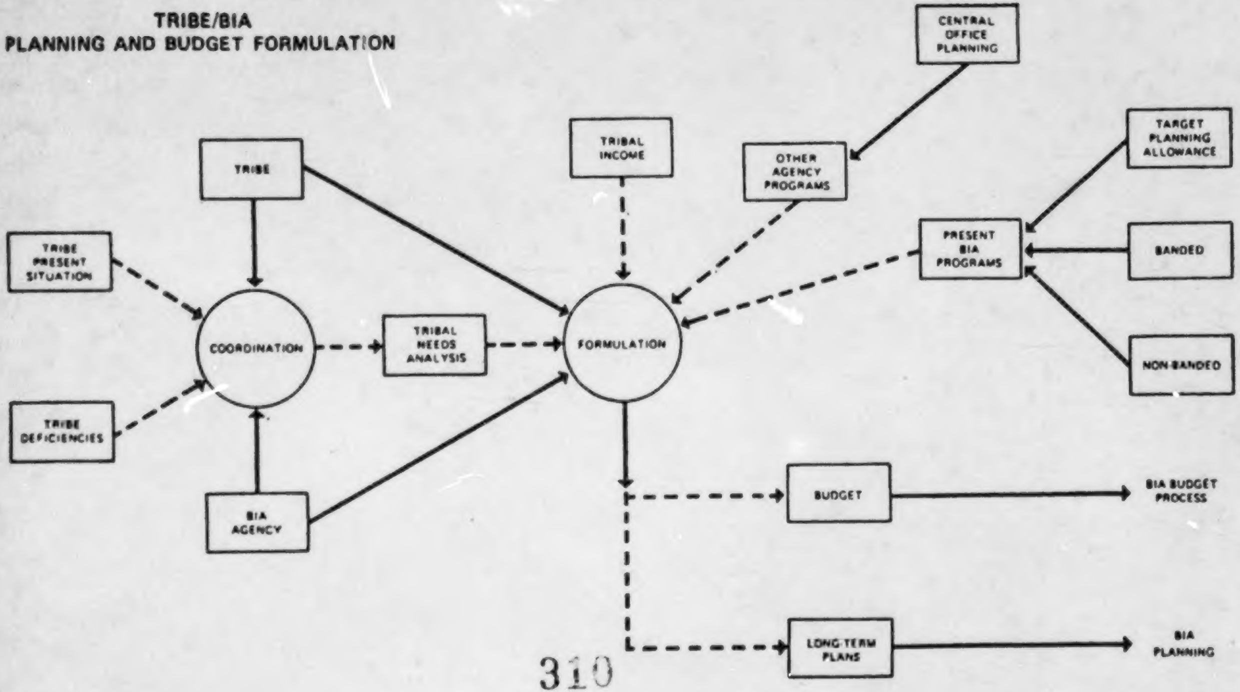
Recommendations

1. Establish a formal planning system within BIA and integrate it into the present budget process

The present budget process only furnishes definitive plans for approximately 18 months at a time. Tribes are confused regarding future program development, funding availability, banded programs and their relationship with BIA. Therefore, a formalized planning system should be installed to incorporate long-term planning, capital and operational projections, the budget cycle, a result-oriented tribal needs analysis, the present MBO program and other agency activities relating to Indians.

Tribal needs analyses should be undertaken at the agency planning and budgeting level in cooperation with tribal leaders. Indian self-determination must be a vital consideration in the long-term planning and budgeting process. The tribal and agency level is the first and most important. A data flow chart, Tribe/BIA Planning and Budget Formulation, presented on the following page illustrates a suggested approach.

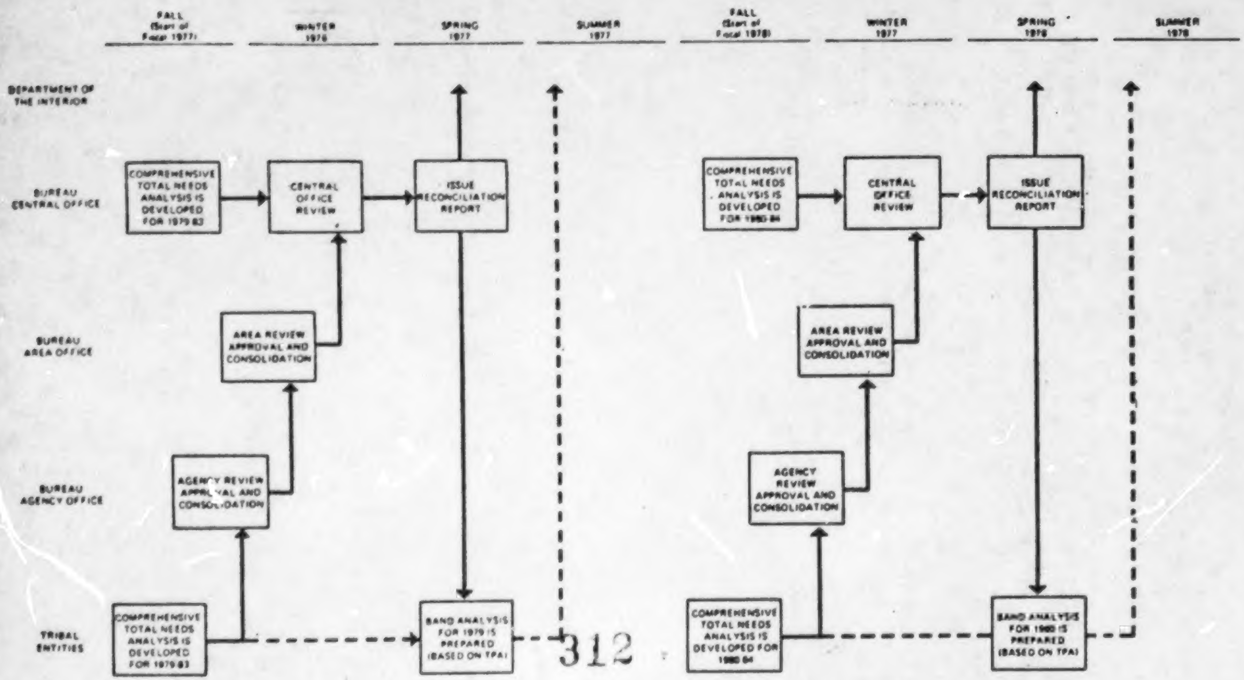
TRIBE/BIA
PLANNING AND BUDGET FORMULATION


CENTRAL OFFICE PLANNING
TRIBAL INCOME
OTHER AGENCY PROGRAMS
TARGET PLANNING ALLOWANCE
TRIBE
TRIBE PRESENT SITUATION
PRESENT BIA PROGRAMS
BANDED
COORDINATION
TRIBAL NEEDS ANALYSIS
FORMULATION
NON-BANDED
TRIBE DEFICIENCIES
BUDGET
BIA BUDGET PROCESS
BIA AGENCY
LONG-TERM PLANS
BIA PLANNING

The planning process should consist of several specific steps. The tribe's condition must first be accurately delineated. Then, a comprehensive tribal needs analysis, including determination of future requirements should be undertaken to consider the present situation versus the optimum. This tribal needs analysis should include: present and proposed tribal income, present BIA programs/benefits plus other federal and state programs. Subsequently, long-range plans should be formulated based on the present situation and the tribal needs analysis. Finally, budget formulation should be planned in an orderly manner to include tribal input meaningful to its needs.

This process would start in the planning cycle and is shown in the first two blocks of the flow chart, Proposed Long-Range Planning Process, on the following page. Agency and tribal plans are reviewed, approved and consolidated at the area level and forwarded to the central office for further review and consolidation. A reconciliation report is issued to tribes to explain planning differences. Plans should be developed for a five-year time period. Data from the comprehensive tribal needs analysis should provide basic input for Band Analysis programs. Band Analysis is separated from the long-term planning process and moves upward through the budget process. The cycle is repeated annually.

PROPOSED LONG-RANGE PLANNING PROCESS


FALL (Start of Fiscal 1977)
WINTER 1976
SPRING 1977
SUMMER 1977
FALL (Start of Fiscal 1978)
WINTER 1977
SPRING 1978
SUMMER 1978
DEPARTMENT OF THE INTERIOR
BUREAU CENTRAL OFFICE
BUREAU AREA OFFICE
BUREAU AGENCY OFFICE
TRIBAL ENTITIES
COMPREHENSIVE TOTAL NEEDS ANALYSIS IS DEVELOPED FOR 1979-83
CENTRAL OFFICE REVIEW
ISSUE RECONCILIATION REPORT
AREA REVIEW APPROVAL AND CONSOLIDATION
AGENCY REVIEW APPROVAL AND CONSOLIDATION
COMPREHENSIVE TOTAL NEEDS ANALYSIS IS DEVELOPED FOR 1979-83
BAND ANALYSIS FOR 1979 IS PREPARED (BASED ON TPA)
COMPREHENSIVE TOTAL NEEDS ANALYSIS IS DEVELOPED FOR 1980-84
CENTRAL OFFICE REVIEW
ISSUE RECONCILIATION REPORT
AREA REVIEW APPROVAL AND CONSOLIDATION
AGENCY REVIEW APPROVAL AND CONSOLIDATION
COMPREHENSIVE TOTAL NEEDS ANALYSIS IS DEVELOPED FOR 1980-84
BAND ANALYSIS FOR 1980 IS PREPARED (BASED ON TPA)

The commissioner and the individual directly in charge of the planning function must be held accountable for overall effectiveness and results. Separate parts of this system presently exist within the tribes and BIA. However, to work effectively, each of these separate parts must be brought into a formal system and improved to fulfill its defined role in the planning cycle.

Implementation of the recommendations will provide important benefits. It will not only reinforce the separation of long- and short-term operations, but also contain necessary elements of direction and control over area and agency objectives. In addition, it provides structured information for the planning and budget cycle and supplies a vehicle to guide capital resources and manpower allocations into strategic areas. Furthermore, it utilizes tribal plans and needs analyses in the planning cycle.

Development of this system must be the responsibility of the individual in charge of the planning and budgeting function. A proposed organization is covered by the next recommendation. The system should be implemented using the following basic steps:

Organize the planning function as indicated in recommendation two.

Determine the existing parts of the proposed present planning cycle.

Identify the quality level of these elements.

Upgrade quality where required.

Furnish data on the operation and integration of planning cycle segments.

Formulate time schedules for coordination of the planning cycle through all portions of organizations.

Monitor understanding of system and adherence to prescribed cycle.

Ensure proper understanding and adherence at those points where they are lacking.

2. *Reorganize budgeting, planning and intergovernmental relations into one integrated organization*

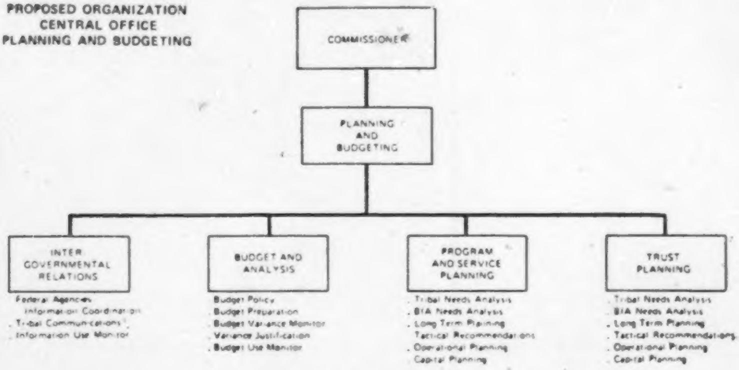
The present BIA planning and control function is fragmented, while the organization lacks a strong focal point. This is indicated in the chart, Present Organization, Planning and Budgeting, on page 12. Intergovernmental Relations and the Policy Planning Staff report directly to the commissioner, with the budget function relegated to a much lower level. Coordination between planning and budgeting is weak and must be strengthened. Long-range planning is nonexistent at the lower levels of organization. Information relating to other government programs does not reach tribes through any formal BIA channel.

The related functions of planning, budget and intergovernmental relations should be integrated into one organizational unit designed to provide long-range planning and control in an effective manner. The new central office planning and budgeting unit should report directly to the commissioner to ensure that the importance of this activity is recognized by the organization and to provide the commissioner effective planning and control data. Implementation will establish total BIA coordination so that sufficient effort will be given to short- and long-range planning.

The unit contain four divisions: Intergovernmental Relations, Budget and Analysis, Program and Service Planning and Trust Planning. The proposed organization chart, Proposed Organization Central Office Planning and Budgeting, is shown below on this page.

Intergovernmental Relations should compile and disseminate information concerning other federal and state programs and monitor performance and interest level of tribes. Budget and Analysis should establish, control and monitor budget policy; prepare budgets; monitor budget variances; obtain variance justifications and report to line management; ensure proper use of BIA budgets; initiate an MBO program; and ensure budget compliance. Program and Service Planning and Trust Planning will differ due to their unique characteristics. Long-range planning may require differing tactics. Both units should consolidate tribal-BIA needs analyses and initiate long-term, tactical, operational and capital planning.

The plannng and budgeting function at both area and agency levels should report directly to the area director or agency superintendent. This function may not require four separate units as in the central office, since the two planning functions can easily be combined with Intergovernmental Relations in smaller areas. These same combinations are practical at the agency level.



PROPOSED ORGANIZATION
CENTRAL OFFICE
PLANNING AND BUDGETING

COMMISSIONER
PLANNING AND BUDGETING
INTER GOVERNMENTAL RELATIONS
Federal Agencies Information Coordination
. Tribal Communications
. Information Use Monitor
BUDGET AND ANALYSIS
Budget Policy
. Budget Preparation
. Budget Variance Monitor
. Variance Justification
. Budget Use Monitor
PROGRAM AND SERVICE PLANNING
. Tribal Needs Analysis
. BIA Needs Analysis
. Long Term Planning
Tactical Recommendations
. Operational Planning
Capital Planning
TRUST PLANNING
. Tribal Needs Analysis
. BIA Needs Analysis
. Long Term Planning
. Tactical Recommendations
. Operational Planning
. Capital Planning

The central office must control area functional policies and procedures in addition to providing advice and counsel to subordinate planning and budgeting units. Each level of the organization should reconcile plans and budgets with lower and/or higher levels. However, final decisions should be made by line management and, in cases of dispute, by the commissioner. The relationship between the various organization levels, Proposed Organization Planning and Budgeting Overview, is indicated on page 26. The functional relationship between various planning and budgeting levels is indicated with a dotted line.

The proposed organization establishes a single, integrated unit for coordinated planning and budgeting between the BIA and the tribes. It also provides a vehicle to implement the proposed planning and budgeting system. Implementation can be accomplished without increasing the number of positions by taking the following actions:

Establish specific responsibilities with full implementation authority for the director of the proposed planning and budgeting organization.

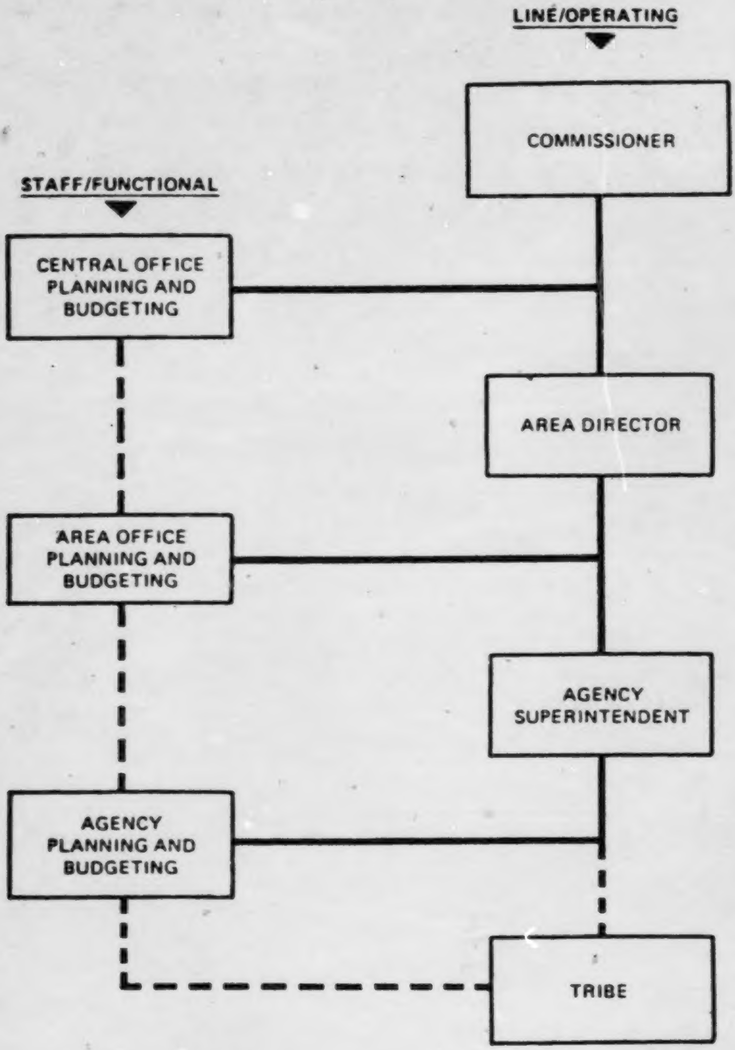
Identify qualification levels for all positions.

Consolidate the central office organization into one physical location.

Implement the formal planning and budgeting system.

Monitor the new organization based on achievements and its ability to implement the formal planning and budgeting system.

PROPOSED ORGANIZATION
PLANNING AND BUDGETING OVERVIEW


LINE/OPERATING
STAFF/FUNCTIONAL
COMMISSIONER
CENTRAL OFFICE PLANNING AND BUDGETING
AREA DIRECTOR
AREA OFFICE PLANNING AND BUDGETING
AGENCY SUPERINTENDENT
AGENCY PLANNING AND BUDGETING
TRIBE

3. Stimulate Indian participation in the budget process

Band Analysis does not provide adequate program coverage, information, training or evaluation. Indians participate for only a short time, making decisions which they often consider meaningless. Therefore, this concept should be clarified and expanded with a total budget system which is understandable and provides full coverage. Agencies must provide more detailed budget data and ensure adequate tribal participation for the establishment of Indian self-determination. The system should apply to both area and agency level budgets and extend across a maximum number of programs. Detailed justification for excluding programs from banding should be required at the department level. The terms banded and nonbanded are used in this report only for clarity in discussing the present budget system. It is recommended that with the adoption of this new budget system, these category names be changed.

Tribal leaders must play a comprehensive role in the budget process. For example, in preparing the fiscal 1979 budget, agency and tribal officials should develop a tribal needs analysis and a long-range plan by October or November 1976. The plan should take the form of an issue paper for transmission to area and central offices. Tribal input must be obtained earlier and represent the beginning of the formulation phase in the budget and planning process. In turn, the allocation of target funds by program, area and agency should be accomplished in accord with the expressed priorities.

Agencies must provide tribal participants with detailed breakdowns on appropriations for each program element by object class. Complete information is needed on various program cost particulars. These data would permit more effective evaluation and discussion of an agency's service-delivery efficiency as the bureau budget proceeds through the department, OMB and Congress with feedback to the tribes on the future of agency-level services.

Closer follow-up and monitoring of agencies is required to insure that the budget process is understood by the tribe and that the tribe is fully integrated into budget development. It is also necessary to measure actual outlays to establish conformance with tribe priorities. Implementation will:

Provide a budget which represents Indian priorities.

Reduce the frustration, anger and meaninglessness of tribal participation.

Build administrative skills for consistent, useful tribal budgetary participation.

Prepare for planned tribal assumption of present BIA functions.

Induce a specific tribal approach to Indian problems.

Stimulating participation will be the responsibility of the director of the planning and budgeting function and should occur simultaneously with implementation of the planning system. The new planning and budgeting organization must devise a data collection and distribution vehicle which can be understood at the tribal level.

4. Include all nonbanded area programs except trust funds in the agency budget formation processed by fiscal 1979

Presently, agency budgets do not indicate all program and support costs as some non-banded activities are deleted. Thus, tribes and agency personnel are unaware of shared-program operating costs. Ideally, the budget process should indicate three basic output classifications: function or activity, object line and cost center or area of responsibility. The present budget does not reflect total costs at the energy level.

All non-banded area programs should show equitable allocations by agency. These should be separate agency budget items and indicated as uncontrollable local expenditures. Agency and tribal personnel must understand the logical basis for allocations and their relation to program costs.

Agency budget input reports should be revised to indicate "Band Analysis—Controllable Local Funding Priorities" and a new section added to cover "Non-banded Analysis—Uncontrollable Local Allocations." Combining controlled and uncontrolled allocations will indicate both direct and indirect agency funding. Thus, agencies would be guaranteed receipt of controllable local funding priorities. However, until non-banded programs are reconciled and discussed, there is no guarantee that funding for uncontrollable local allocations will be exactly as indicated.

The benefits of this approach are as follows:

Resulting data could be expressed by function or activity, object line and cost center or area of responsibility.

Agency morale would improve due to the inclusion of a total needs assessment in the budget report.

Process integration should enhance self-determination.

Tribe-agency communications with bureau, executive and legislative entities will improve.

Agency budgets could be "added up" to arrive at an overall bureau budget—a further division of agency budgets into tribal entities as a basis for a total bureau appropriation is unnecessary at this time.

Decentralized agency superintendents, staff and tribal councils will be provided with a means to plan and improve operations.

Allocation methods should be initiated by individuals within the budget function knowledgeable in modern cost accounting and allocation methodology. Responsibility should reside in the director of the BIA budget process. Full implementation should coincide with the fiscal 1979 planning process. Total man-hours should not exceed 1,000 at a one-time cost of $50,000.

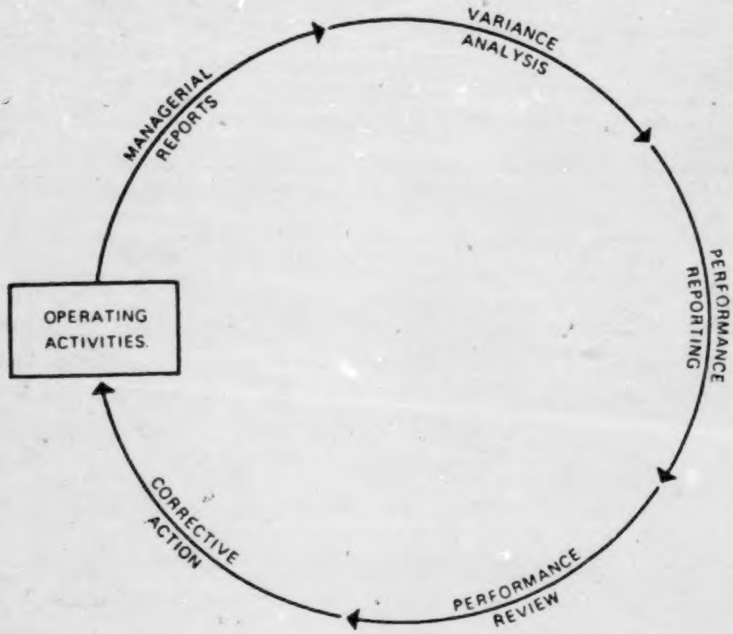
5. Make the budget function responsible for variance analyses and performance reviews

The present budget system is not fully utilized to report variances and performance levels. The MBO program is concerned with individual objectives and so is reviewed and reported separately from the budget monitoring function. Total management evaluation is neglected.

Budget variance analysis and performance reports should become an integral part of the MBO budget function responsibility. Regular analyses of budget variations by predetermined percentages or amounts should be justified by managerial reports. These results should be forwarded to the next highest budget function or line management for review and action. Variances should be an integral part of performance review. Objectives should be evaluated at least quarterly and variances justified.

In this way, the budgeting process would become a management control tool encompassing five actions described in the chart, Budgeting Control Process, as shown below. First, managerial reports, indicating operating activity results, should consist of budget cycle output and data relevant to the present operating time period. Second, a comprehensive review of variances between actual and budgeted performance levels is highlighted in the managerial accounting reports. This activity can improve both short-term control and future operations. Third, the preparation of internal performance reports—to review operating results—should specifically expand managerial report information and formally present findings generated through variance analysis. Fourth, the completion of the reviews detail performance report information. Past activities, corrective actions and anticipated performance are taken into consideration. Fifth, line responsibility, the ultimate focus of the control process, devises and implements corrective action. Actions are designed to either correct significant deviations or take advantage of specific opportunities.

BUDGETING CONTROL PROCESS



The combination of variance analyses and performance reporting will provide data to line management for control and measurement. Variance analysis, a key management tool, pinpoints variance responsibilities and provides for managerial explanations of respective causes. Effective, uniform application of appropriate analysis procedures can serve management both as a control and a motivational device. Performance reviews aid managers in establishing proper corrective action to bring operating activities plans into line. Timely and accurate deviation information will provide managerial decisionmaking.

Implementation must be the responsibility of the director of the planning and budgeting function. It is important that all individuals clearly understand the concept and its application. Surveillance should continue to determine its effectiveness.

6. Emphasize Indian participation and Band Analysis in the BIA budget review to the department, OMB, President and Congress

The current BIA budget is submitted to higher review levels without indicating the banded needs of an agency or tribe. The bureau's budget is a combination of banded priorities and non-banded central office programs. Justifications relate to programs but do not analyze agency or tribal input. Tribal-needs and budget-data visibility are stopped at the bureau level.

For example, in three United States government reports, the bureau's budget is deficient in agency or tribal input. The BIA budget justification contains only descriptive bureau program-costs narratives. The federal budget summarizes programs by functional breakdowns. Its appendix details information by program activity and extends the analysis to include a budget presentation by object-account classification.

An OMB statement on this problem was issued in July 1975. It is clear that BIA should analyze, document, support and present Band Analysis information in its budget review. While the bureau has prepared an excellent presentation explaining the values of the Band Analysis, it does not adequately cover banding in its budget justification material.

Analysis, documentation and support of tribal priorities and banded programs should be forwarded to the department, OMB and Congress for review and justification. A portion of this information is now being used in the budget review process through its inclusion in the 1978 Program Strategy Paper. The activity should be extended to achieve the following benefits:

> Tribal council priorities are less likely to be revised by the bureau as higher review levels develop an appreciation and understanding of Band Analysis.
>
> Government funds must be used judiciously and the trust responsibility for Indian-owned resources must be maintained. A BIA explanation of tribe and agency priorities could enhance the objectives of Indian self-determination at these higher review levels.
>
> Tribes and agencies will be confident that their input is part of justification material submitted to the department. This material should include an analysis by agency of the banded input. The

agency would discuss and review a tribe's position in relation to the total budget.

Agency superintendents will receive a copy or excerpts of the budget justification, creating improved communications at all levels since numbers will be evident. There should be no hidden programs.

This recommendation should be implemented as part of the 1979 Program Strategy Paper and Budget Review and should include a complete analysis and supportive information as indicated.

7. Establish annual project planning at area and agency levels for all continuing programs and monitor performance quarterly on a personal basis, altering the plan to reflect status changes

Project planning, as a management tool within BIA does not ensure the timely completion of activities. Work plans are not considered important and are not updated when schedules are missed. Timing is confused because of inadequate feedback. Project planning is not considered a high priority at the agency level because experience has indicated that generating plans for other than major projects is a waste of time. The plan is either not included in the budget, reworked later, or not adhered to because the available time and effort was directed to some unplanned requirement.

Management training techniques have not separated urgent short-term work from significant long-term undertakings. Consequently, planned work is not accomplished in an effective time frame. Project planning techniques are not sufficiently sophisticated to include alternative schedules to ensure project timeliness even if it is only partially funded or staffed.

There is no available data to provide the basis for an alternate course of action because of changing circumstances in the future. Thus, area and agency offices must exist on a day-to-day basis reacting to problems and situations as they arise. As a result, ongoing programs get farther behind and are inadequately implemented.

A planning program should be established to indicate necessary steps to successfully complete the project. Details should include: starting dates, names of project staff, individual time schedules for each step, work schedules required for completion, partial accomplishment dates, deadlines and alternative courses of action. This planning method should be applied to continuing as well as one-time work assignments. Plans should be reviewed quarterly on a direct-report, personal basis. Area directors and agency superintendents should be held accountable for plan adherence. A work-planning program will result in more efficient use of personnel and create the time necessary to implement work without adding additional manpower. Benefits include a controlled work environment, viable alternative action plans and corrective measures based on monitoring accomplishments at predetermined intervals.

The major benefit is the accomplishment of work in less time and at lower costs. Assignments will be controlled by time, cost, work steps and individuals. Savings of approximately 2% in manager payroll costs would provide between $250,000 and $500,000 per year. Employee evaluations would be an additional benefit. Staff abilities to perform satisfactorily within budgeted time and cost should be a measurement of their individual performance. The commissioner should actively support and promote implementation throughout the organization. Each performance evaluation should contain data which indicate the use of project planning methodology.

Personnel Management

Personnel management has been the subject of many studies, proposed reorganizations, changes and reforms. Presently, the Civil Service Commission is completing a report on BIA personnel management which includes both the central and field offices. Also, an action proposal is in effect to improve BIA personnel administration which includes the employment of a project manager to coordinate and correct specifically identified problems and deficiencies. Most of these difficulties, identified in previous studies as well as in the following report, have not been corrected.

Present Operations

The central, area and agency offices share responsibility for personnel management activities. The Albuquerque Administrative Services Center (ASC) is also important to the personnel function. The central office function, Division of Personnel Management, reports to the commissioner through the Office of Administration.

This division provides staff assistance in regard to development, coordination, administration and evaluation of personnel management programs and policies; formulates objectives, policies and guidelines; aligns positions for pay administration, management and other personnel functions; develops standards and criteria for securing and retaining qualified employees; guides management on labor relations; and maintains employee-group and union relations.

At the area level, a personnel officer, reporting to the area director, assists management in implementing programs. This responsibility includes processing classification, wage administration, placement, employee development and labor-management relations documents. At the agency level, personnel management is usually carried out by the administrative officer.

The Branch of Employee Data and Compensation at the Albuquerque ASC develops and maintains systems, programs and procedures to provide pay and benefits to BIA employees as well as all necessary personnel information. The BIA employs about 18,000 people. Of these, 13,000 are permanent. Approximately 200 permanent employees are directly involved in personnel work. All area and agency personnel files are held at the area offices, except for those on area directors, assistant area directors and superintendents. These are kept at the central office.

Personnel ceilings are set by OMB and further allocated by the Department of the Interior. Area and agency management have very little input concerning this procedure, but often circumvent it by hiring temporary employees.

The Supreme Court decision affirming the principle of Indian employment preference has strongly influenced the BIA personnel management function and all related programs. The Indian preference policy is based on the Indian Reorganization Act of 1934 which provides: "The Secretary of the Interior is directed to establish standards of health, age, character, experience, knowledge and ability for Indians who may be appointed, without regard to civil service laws, to the various positions maintained, now or hereafter, by the Indian office, in the administration of functions or services affecting any Indian tribe. Such qualified Indians shall hereafter have the preference to appointment to vacancies in any such positions."

For approximately 38 years, the Bureau's narrow interpretation of this provision applied only to initial hirings. In June 1972, a BIA directive (Personnel Management Letter Number 72–12) initiated a preference policy for promotion of qualified Indians as well as initial hirings.

In 1974, two significant judicial decisions clarified and broadened the concept of Indian preference to some extent. The first case, *Morton, Secretary of the Interior, et al.*, v. *Mancari, et al.*, 417 U.S. 535 (1974), was an action by non-Indian BIA employees. It claimed Indian preference violated antidiscrimination provisions of the Equal Employment Opportunities (EEO) Act of 1972. The U.S. Supreme Court decision held Congress did not intend to repeal Indian preference and the EEO Act of 1972 did not modify or negate Indian preference in BIA employment. It further pointed out that such preference was not socially discriminatory, but reasonably and rationally designed to further Indian self-government.

The second and more significant case was *Freeman, et al.*, v. *Rogers C. B. Morton, Secretary of the Interior, et al.*, 499 Fed. 2nd 494 (1974). This action by four BIA employees sought a determination that all initial hirings, promotions, lateral transfers and reassignments in the Bureau of Indian Affairs, as well as any other personnel movement therein intended to fill vacancies in that agency be declared governed by the Indian Reorganization Act. The U.S. Court of Appeals affirmed the U.S. District Court decision granting summary declaratory judgment in favor of the original plaintiffs and all personnel actions were declared to be governed by Indian preference.

Agency and area hiring is a personnel function of the area office. Recruitment at the area office includes advertising by official bulletin. Qualified candidates are then referred to a particular agency. In many cases, before a position is filled, the job classification has to be reviewed, reclassified and advertised again on a wider basis. In some cases, the tribal councils are consulted. Thus, it may be months before a position is filled—if it is filled.

In the Division of Personnel Management, a labor-relations officer and his assistant manage central office labor relations activities and give technical assistance to field offices. Labor relations specialists provide this service for area and agency offices. In addition, an agency superintendent may appoint a grievance officer. Approximately 72% of BIA employees are represented by federal-employee unions making it one of the most union-organized bureaus in federal government. However, the fact that an employee is represented by a union does not necessarily mean that the employee is a union member.

A central training function staffed by three persons instructs central office employees and provides assistance to field offices. Specialists handle this activity for area and agency offices.

Classification sections in the central and area office personnel organizations ensure that BIA jobs are properly described and rated according to civil service standards. Presently, classification authority rests with the Chief Personnel Officer, Chief of Classification and Chief of Personnel in the area offices. In April 1976, classification authority for certain positions was changed from the area to the central office.

Evaluation

Indian preference has a profound effect on BIA personnel management. Congress intended that "the Indian service shall gradually become a service predominantly in the hands of educated, competent Indians." However, no one in 1934 realized just how gradual this process would be. Even now, 42 years later, many positions are virtually impossible to fill because qualified Indians have not been located.

Bureau morale suffers because of Indian preference. Many non-Indians either leave BIA or are minimally motivated to perform because of Indian competition. The failure of bureau personnel to understand Indian preference has led to inconsistent administration of the policy at all levels. This failure is especially evident in the attempt to select Indian candidates for every vacancy—a practice which results in unfilled and downgraded positions. The result is a significant reduction in BIA effectiveness. Internal mobility and flexibility also suffer because, in many instances, non-Indians cannot be transferred to new positions. There is a basic dichotomy between interpreting Indian preference as an Indian employment, training and development vehicle and the BIA charter to serve the Indian people effectively.

Additional problems result from the practice of controlling manpower forecasts by the budget rather than through personnel management. Personnel ceilings, arbitrarily set by OMB, result in erratic staffing plans. This situation is further complicated by Indian self-determination actions and possible retrocessions. Recruiting is adequate. Colleges and universities are not aggressively utilized nor is any medium other than internal advertising used for recruitment. This limits the availability of qualified, trainable Indian applicants. Intake programs have been discussed, but are unplanned and uncoordinated. Nepotism, favoritism and, in some cases, tribal power determine hiring practices. Vacancies are filled too slowly.

Often, employment classification is in a chaotic state. As a result, some classification authority has been reclaimed by the BIA central office. However, consistent job classification or reclassification policies are nonexistent. Job categories are being altered to fit the applicant—being downgraded when a competent candidate is unavailable and raised when an administrator wants to provide a reward without justification. Administrative pressure challenges the integrity of the classification process. Because of a shortage of qualified classifiers and an exodus of those available to other government agencies, classification actions are a long, time-consuming process.

BIA labor relations practices are also poor, both from the humanistic and managerial point of view. Management is often "autocratic" or "dictatorial." Employee input is not solicited and, if volunteered, remains unanswered. BIA managers and supervisors admit ignorance of employee relations practices. High personnel turnover often results, particularly in critical areas. This type of management leads to unionization, third-party intervention and inflexibility in personnel assignments.

Good employee relations practices are important for two reasons: to ensure fair pay and benefits in line with geographic norms and to maintain open channels of communication. All management personnel including front-line supervisors need human relations training. Since many BIA employees are already organized, supervisors should also be instructed in contract administration and union operations.

Training activities are inadequate at all levels and do not meet BIA needs. As a result, many underdeveloped and underutilized employees operate marginally and mishandle their assignments. Clerical errors are only one indicator of insufficient training. Management intern programs for Indians and meaningful employees orientation programs are practically nonexistent. Training deficiencies at the superintendent level result in quasi-political and political appointees, making functional effectiveness accidental.

BIA internal communications are poor and the absence of two-way communications for transmittal of vital data seriously impedes the effectiveness of the bureau. Information filters down from the central office to area and agency operations, but it is not discussed—it is imposed.

Recently tightened travel restrictions have aggravated this already dismal situation. Employees are uncertain concerning performance expectations and unable to seek competent guidance to improve their operating level. The bureau avoids defining and promulgating meaningful policy statements in critical areas such as Indian preference, self-determination and equal employment opportunity. Directives are often superficial and inappropriate. Almost continual internal reorganization and changing interpretations of Indian preference create a rumor-intensive environment where many employees spend excessive time generating or reacting to rumors. The effect on morale is highly detrimental and reflected by poor employee motivation.

Recommendations

8. Strengthen Indian preference to improve BIA effectiveness while continuing to hire, train and upgrade Indians for bureau employment

At present, Indian preference demoralizes Indian as well as non-Indian employees, extends position vacancies, encourages position downgrading and reduces the quality and effectiveness of bureau services. Specifically, the BIA employee categories "highly qualified," "qualified," and "minimally qualified" should be discontinued. Position descriptions, qualifications and employment requirements should be written for qualified employees. Applications should be graded as either "qualified" or "unqualified" with justification in writing. An Indian, listed as "qualified," should be hired. If several Indians are competing for the same position, selection should be made by agency supervisors based on application materials.

Training and educating bureau personnel must be stressed in conformance with other recommendations on recruiting, manpower planning and training.

Vacancies will be filled more quickly without temporary assignments or manipulating job classifications.

Non-Indian morale will improve especially in terms of employment planning.

Quality and effectiveness of service to the Indian people will be enhanced.

Improved personnel utilization will result in some savings and greater efficiency.

The goal of an Indian service predominantly managed by educated, competent Indians will be achieved.

Improved operational effectiveness should result in an annual saving. However, no specific amount can be quantified at this time.

9. Develop a human resources planning system using industrial engineering techniques to establish appropriate staffing levels and position requirements

Comprehensive studies on BIA staffing levels are not performed, resulting in either over- or under-staffing. In addition, personnel reductions do not follow a logical selection process. Observations on manpower utilization at sample BIA offices indicate that output is very low. However, effective manpower utilization does not appear to be of prime importance since defined quality/quantity output standards are nonexistent. Personnel ceilings are set arbitrarily by OMB with no input from area and agency management. These ceilings are often circumvented by an excessive use of temporary employees.

BIA occupational needs must be assessed at all levels utilizing proven industrial engineering work measurement techniques. Studies made for repetitive, nonrepetitive, decision-making and problem-solving tasks at one office or organization can be standardized and applied to others. Qualification standards must be established and enforced without deviation.

Once proper staff requirements are determined, a long-term plan to provide stematic identification and training of Indians for more responsible positions should be developed. This plan should also address the problems created by Public Law 93-638 in terms of the bureau's changing role and manpower needs resulting from tribal program contracting.

As an interim measure, the bureau should develop project or limited appointment programs for non-Indians with civil service tenure. Term or limited appointees could serve as personnel, budget or management specialists to ensure proper staffing levels and give non-Indians an opportunity to work without worrying that Indian preference will affect their careers. Several benefits are anticipated:

Management will have documented data on occupational needs, greatly improving personnel and program balance.

Work measurement standards will provide a device to evaluate employee productivity.

Employees and managers will obtain task-oriented, time-sequence procedural guides.

Management will know the work requirements of full-time positions.

Temporary positions will be reduced.

Limited appointment programs will provide competent non-Indian employees for specific assignments and provide dedicated non-Indians with meaningful opportunities to serve.

Morale will improve.

Staff reductions of 25% should result.

Work measurement assessments and employment criteria should be set by trained professionals. Management commitment and employee cooperation can be secured by pointing out the anticipated benefits. Employee reductions should be accomplished through attrition while new non-Indian appointees could be hired or transferred from other government agencies. Periodic communication should be made to all BIA employees to explain goals, benefits and accomplishments. Implementation would provide improved operational effectiveness and an annual saving of approximately $75-million after a one-time expenditure of $430,000.

10. Develop an aggressive recruiting program to secure qualified or trainable Indians

BIA recruitment is inadequate to meet bureau needs. Therefore, a central recruiting office, reporting directly to the Chief Personnel Officer, should be established. Institutions of higher education should be selected for "on-campus" interviewing, particularly those with special Indian programs. Additional efforts should be made to locate Indians qualified in areas such as agronomy, forestry, water resources and engineering. To implement this effort, a companion Indian management intern program should be established and publicized at both the tribal and educational institution levels. Benefits would include the following:

Qualified Indians will find BIA more attractive.

Internal management growth will improve.

Specialized openings will be filled more easily.

Bureau quality and effectiveness will be improved.

Educated, competent Indian recruits will contribute to the bureau's goal of Indian self-determination.

The commissioner must implement this program by allocating proper funds. A one-time startup cost of $50,000 would be required while continued operation of the recruitment office would cost approximately $150,000 annually. Startup and continuing operation responsibility would be delegated to the Chief Personnel Officer. An experienced professional recruiter must be hired to identify other BIA field employees who could be trained by a professional, private firm as part-time recruiters.

11. Reorganize the employment classification system to improve credibility

Since there is no organized review policy, classifications fluctuate up or down to accommodate current Indian preference demands or line-manager whims. Qualified personnel for this specialty area are in short supply and turnover is high. In addition, classification actions are time-consuming, causing personnel management problems. To resolve these difficulties, a separate, distinct occupational series should be developed for the BIA, recognizing its unique needs.

Ample precedent exists in other government agencies. Guidelines for major positions and a regular program of systematic classification audits must be established. Modification of the Indian preference policy will solve a part of the problem. However, top management support, clearly communicated to all bureau levels, is absolutely necessary for system integrity.

Appropriate human resources planning would ensure appropriate staff levels. Acquainting managers and supervisors with general classification procedures would also assist in fostering system integrity. Benefits would include the following:

Position classifications would be more realistic and procedures easier.

Classifications would be more credible.

Personnel turnover would be reduced.

Bottlenecks in personnel placement would be eliminated.

A more effective total organization would be developed.

The commissioner must direct the Chief Personnel Officer to establish a BIA occupational series with the help of the Civil Service Commission, using benchmarks and guidelines developed by experienced classifiers. In addition, he must clearly communicate his commitment and support to ensure that classifiers and line managers are properly trained for system integrity.

12. Improve BIA employee relations practices

BIA employee relations practices are poor from a humanistic and management viewpoint. Administration is often autocratic and communications are one-way—downward. This leads to unionization, inflexibility and adverse effects on the quality of BIA services to the Indian people. Employees should receive pay rates and benefits in line with work norms and wage standards for their local geographic area. Since civil service regulations may restrict necessary changes, rectification is dependent on improvement in the position management and classification areas.

Two-way channels of communication between management and employees are necessary to provide information on work expectations and quality performance. Organizational developments, ideas and grievances must be discussed. Employee morale should be an important concern of both management and employees.

The commissioner's belief in establishing and maintaining good employee relations must be communicated to all employees. Mutual trust should be developed between management and employees at all levels. Management training in human relations and the development of good employee relations practices are essential, especially in the areas of motivation and communications. Since many BIA employees are already unionized, management must also be trained in union relations and contract admistration.

Although an employee evaluation system is now in operation, it is not being used as a measuring, information and goal setting device. Therefore, there should be a reorganization of the evaluation system in line with its intended goals. Benefits achieved by these recommendations would include:

Improved morale.

Increased efficiency and effectiveness.

Decreased need for third-party intervention in management-employee relations.

Eventual reductions in operational costs.

The commissioner must clearly communicate to management that employee development is an important and measurable part of their job function. Morale can be improved by instituting executive visits to the field, establishing an internal communications newsletter and providing allowances for social functions. Training programs and evaluation systems should be established by nongovernment professionals. Implementation would improve employee understanding and bureau effectiveness at a one-time cost of $100,000.

13. Develop training programs to meet specific BIA requirements

The present emphasis on training is general in nature, narrow in scope and unrelated to employees' jobs. Initial training programs should be concerned with orientation, clerical skills and supervisory development. Subsequent activities should be developed, designed and conducted in-house with special emphasis on unique problems. Additional executive development programs should be available to key area and central office personnel, particularly in communications skills and management techniques. Supervisory training is needed at all organization levels with particular emphasis on personnel management.

It is imperative that the bureau give priority to the development of comprehensive Indian intake and development programs—long-term management training programs designed to provide at least 60 to 70 positions annually over the next 7 to 10 years. Classes should be designed to supply group orientation, initial training and individually tailored assignments for the remainder of the development period—12 to 25 months. At least one year should be spent in the central office on either a broad range of assignments within a particular discipline or on a series of assignments in various specialties. As a result of these programs, qualified Indians will be available to fill vacancies in responsible positions. This program must be budgeted as a separate line item. Allocated positions must be in addition to the normal ceilings imposed on operating agencies if the program is to be successful. Potential benefits include dramatic improvements in morale, communications, productivity and goal awareness. The result will be a cadre of capable, effective Indian employees, able to assume greater responsibility for bureau operations. The initiation of a training needs survey will entail a one-time cost of $200,000. Program maintenance will require an additional $80,000 annually.

14. Continue regular civil service evaluations and upgrade personnel-management quality through Department of the Interior project manager appointments

Based on the Indian Reorganization Act of 1934, it has been suggested that BIA personnel management should lie outside civil service regulations. Although this approach may have merit, problems in the bureau stem primarily from managerial weakness and could be solved within the current civil service structure. Since BIA's personnel-management problems have developed over an extended period of time, the Civil Service Commission should continue to evaluate these activities at bureau installations on a planned basis. The project manager appointed to direct BIA and department correction efforts should continue in this assignment until both the commissioner and project manager are satisfied deficiencies have been corrected.

Evaluations should be scheduled so that each area office as well as the Albuquerque and central offices are visted at least once every three years. The project manager's mandate should be extended at least 9 to 12 months beyond the term of the original assignment or longer to ensure successful implementation.

Continued reviews by the Civil Service Commission will inspire personnel to be more conscientious, supply guidance and provide a means for appropriate corrective action. Implementation will bring about significant improvements in the bureau's personnel-management activities. The estimated cost is approximately $42,000 annually.

Management Information

This section provides some significant management observations on the content, flow, timeliness and usefulness of management information as it is generated and communicated throughout the bureau. Management information encompasses all activities of the Division of Automatic Data Processing including input requirements and resultant reports.

Present Operations

The information now available is generally financial and accounting data as well as payroll and personnel records necessary for reporting and decision-making at the central and area office levels. A formal information flow has been established for the central office and copied, in concept, in the areas and agencies. An administrative function generates and distributes materials in the form of policy manuals on practices, procedures and regulations for personnel and related activities.

The Division of Automatic Data Processing in Albuquerque is the prime source of functional and administrative information. It is staffed by 104 permanent employees and operates 24 hours a day with a fiscal 1976 budget appropriation of approximately $2.7 million. The division has two complete hardware computer systems including two central processors manufactured in the 1960s and one mass-storage disc system. A complete list of hardware equipment is given in Appendix Exhibit VII, Central Office Computer Hardware. Additional data processing capabilities at five other locations are shown below:

Location	Office	Equipment
Parker, Ariz	Agency	Key-to-tape recorder with data communications abilities. Low-speed line printer.
Albuquerque, N. Mex., Division of Transportation	Central	Intelligent terminal.
Billings, Mont	Area	Intelligent terminal with printer.
Albuquerque, N. Mex., Division of School Facilities	Central	Terminal with printer.
Phoenix, Ariz	Area	Minicomputer.

Current application systems include the following which are supported with 24 software packages described in more detail in Appendix Exhibit IX, Central Office Software Packages:

Land—soil characteristics, ownership, lease.
Enrollment—census files, membership, judgments.

Inventory—equipment management, roads, property, maintenance.
Finance—investments, revenue sharing, loans, vouchers, banding, trust, personnel, payroll.
Education—staff, property, pupils, curriculum.
Community Services—payments, housing, skills.
Natural Resources—trust, fishing, joint-use.
Operational—project progress, data processing utilization.

Evaluation

Due to inadequate and unreliable measurement information, managers can do little to control people or programs. Data are used primarily for employee records and to provide reports requested by area or central offices. The information available simply documents past history for compilation into composite status reports.

This type of information cannot be used effectively to evaluate, manage and motivate people, make decisions or measure program quality. Even simple comparisons are not available for management control purposes. More sophisticated management control requires performance standards as a basis of comparison. Insufficient standards and measurements are prime reasons for line manager, program and employee control problems.

Communication of information is so slow that programs and employee morale suffer. Agency managers lack sufficient decision-related data and their requests for this pertinent information go unanswered. Requests for information may move through several steps in the organizational structure to attain an adequate response. Information flow is also slowed by various coordinators and liaison personnel who constitute bottlenecks to desired communication patterns. The entire procedure wastes time, hampers program development and promotes bitterness among tribal officials. Technical data are not distributed from the central and area offices since the employees responsible for these services are not motivated to provide the information.

From a technical viewpoint, the data processing hardware at the Division of Automatic Data Processing is obsolete and inefficient for business-oriented work because the computer logic is designed for engineering or scientific applications. The equipment is slow by a factor of 10 to 1 and contains inadequate storage capacity to handle the BIA data base. Since remote communications capabilities for data retrieval do not exist, human interveniton is required for inquiries.

The available data storage capability is required for payroll and administrative data, leaving little space for management information data. The available application systems do not always operate effectively. Only a few of the 17 division reports sent to the agencies are useful due to insufficient understanding or inapplicability of the information in the reports. Although some manuals are available, they do not explain report interpretations effectively.

Reports are not organized to provide information on an exception basis. Therefore, users must dig through piles of paper to locate problems. Because report accuracy is poor, they are not used and agency managers maintain "cuff accounts" for reconciling and control activities. Inaccuracies are caused by insufficient knowledge on data input and submission, but some training is provided to correct this situation.

Area and other offices are starting to acquire data processing equipment because of inadequate service from the division. If this trend continues, computer services will proliferate, resulting in higher costs. Recent data processing studies indicate the two major problems are insufficient hardware capability and a shortage of qualified people.

Both equipment and materials inventory systems are ineffective and wasteful. They are not completely automated because the division lacks the necessary data storage capacity. Also, standards for controlling inventories and servicing equipment do not exist. Equipment listings are incomplete, causing supplies to disappear without sufficient documentation.

The recommendations presented should be implemented immediately. Those aimed at the Division of Automatic Data Processing focus on the application analysis section of the bureau's modernization study. Without quick action on these findings, the bureau will find itself committed to a decentralized computer-center concept with unnecessary duplication and higher costs. Properly equipped and staffed, the division could provide 80% to 90% of the necessary management information efficiently and economically. Further proposals for improving the management information flow are included in the next section on Organization Structure.

Recommendations

15. Establish and install performance measurement standards

BIA suffers from inadequate performance standards and a rejection of a measurement philosophy. Both area and agency managers fail to use available data as a tool for improved facilities utilization and employee productivity. Accounting procedures to identify total project costs are absent and amortization schedules for replacement or renovation justification are unavailable. Nonfinancial areas are almost completely overlooked. The concept of measuring the utilization of resources, employee performance levels, program schedules and performance standards is missing, which results in ineffective management.

To remedy this situation, the Office of Administration should establish performance standards for costs, employee productivity, work-time procedures, equipment use, facility space and service staffing. Then, employees should be trained in their use. The Division of Automatic Data Processing should establish an application category encompassing performance measurements designed to extract data from all files for performance-standards reports and similar activities.

Area, agency and project managers should be provided with monthly exception reports showing deviations of plus or minus 5% for review and rectification prior to the next report. Establishing performance standards and an effective measurement program will improve employee productivity and could save as much as 5% of the total management expense budget. Since current salaries and benefits equal approximately $300-million, potential annual savings would be about $15-million. Five managers—two from each from the Offices of Administration and Planning and one from the Division of Automatic Data Processing—should develop a manual of approved performance standards for required measurements. This entails close cooperation with data processing planning.

16. Initiate a program to improve and facilitate general communications between central office and field supervisors

Personal contacts among bureau management personnel are inadequate and infrequent. The area offices operate as separate entities which limit communications, particularly face to face, either vertically or horizontally. This has led to isolation which makes general policy implementation and organization unity difficult to achieve.

An improved general communications program should be designed and implemented to increase personal contacts among management personnel. Supervisors should also solicit staff opinions and be more responsive to expressed needs. Increased visits by the commissioner to field operations would enhance morale and open channels of communication. Successful implementation of an overall communications improvement program would stimulate morale, reduce isolation and establish a consistent information system.

17. Develop a concise statement on critical issues

The Division of Management Research and Evaluation provides policy and procedures manuals which are often outdated and consequently inaccurate. Employees and tribal entities do not understand BIA functions because position statements on critical issues are inconsistent. A manager's knowledge of services and functions in divisions other than his own is particularly weak.

A managerial statement should be written and distributed throughout the bureau. Policy statements should provide:

Definition and implications of technical assistance.
Potential impact and ramifications of Public Law 93-638.
Consistent and enforceable interpretation of Indian preference.
Explanation of Band Analysis.
Precise, complete definition of the trust responsibility.

Employees must be aware of their relationship to the BIA mission, function and services. Implementation should be assigned to the Division of Management Services. This should take precedence over updating existing policy and procedures. A final document should be completed in two months.

18. Improve the Management by Objectives program

The concept of MBO utilizes techniques approved and supported by the commissioner. However, the bureau's program is not sufficiently consistent and coordinated. Area offices prepare and distribute management objectives to agency personnel and tribes while agency objectives are independently developed by individual superintendents. In many cases, area objectives are too broad to be easily measured. They are often mere restatements of position functions and duties. Understanding and appreciation of MBO techniques are further stifled by poor communications. Performance against objectives is not utilized to evaluate managerial results or ability.

A successful MBO program provides compatible objectives for various organizational levels. Each manager establishes goals which complement those of his superior. Since the ultimate measure of success is effective client service, special emphasis should be placed on first-level supervisors' goals. To ensure proper emphasis, objectives should be set in a two-phase process. In the first phase, broad guidelines would be developed by the commissioner and his staff and sent to his subordinates where the process would be repeated.

The second phase—setting specific, measurable objectives based on the guidelines provided—would be accomplished beginning at the lowest supervisory level. This presentation would include goals, time schedules and a vehicle for measuring overall results. The process is then reversed by submitting these specific goals to the higher supervisors for understanding and approval. Management objectives should be set annually.

At the end of each quarter, managers would review goal accomplishments in face to face discussion with his supervisor and corrective action taken when appropriate. Such an MBO system would increase interaction between all bureau management levels and promote organizational cohesiveness. At the agency level, a goal-oriented management style will replace the reactive-mode now in evidence. For example, technical assistance could be more actively provided to serve the best interests of the tribe.

19. Expedite the automatic data processing modernization study to ensure completion by January 1, 1977

The data processing installation in Albuquerque is inadequate for both administrative and management information requirements. The Division of Automatic Data Processing is currently equipped with two obsolete machines. Neither operates in a multiprocessor or a multiprogramming mode. An additional 25% capacity is provided by outside contract. The only backup for the two current machines, which prepare BIA payrolls, is an installation in Grand Junction, Colorado, which serves the Nuclear Regulatory Commission.

As division data processing services are incapable of satisfying total system requirements, area offices are beginning to acquire their own equipment. If this trend continues, BIA will be committed to a decentralized system which will prove more costly than a centralized remote-access configuration. Also, increased use of purchased computed time will result in higher operating costs.

Both computers are designed for scientific rather than business applications. No capacity exists for meeting special field requests or providing direct access from remote locations. Since manuals documenting capabilities and reports are inadequate, both system input and output are extremely poor.

An extensive study on the replacement of obsolete hardware and addition of improved service and data handling capabilities is in progress. In addition, an intern equipment improvement proposal is being pursued. The approximate schedules for interim requirements and estimated completion of this work are contained in the following chart. It is doubtful that these dates could be met with current staff levels.

Steps	Modernization action	Short range	Long range
1	Replace hardware with interim equipment (Dual CDC 3500)	January 1977	
2	Complete application analysis	November 1976	
3	Install adequate equipment		November 1978.

The proposed equipment includes compatible computers to do multiprocessing in a multiprogramming mode with communicating capability. Implementation of the interim project should be followed by a request for sufficient funding for complete modernization during fiscal 1978.

Mechanical capacity alone will not solve BIA's data processing problem. In addition, an adequate number of trained personnel with experience in computer languages, operating systems, programming and applications must be employed immediately. Indian preference may present difficulties since data processing personnel are in high demand and command good salaries. Also, qualified software people are not attracted to Albuquerque which has limited employment opportunities. They prefer areas where they can easily move from one employer to another. Therefore, the location of the bureau's facility in a city which has other large data processing centers could improve the situation.

Updating current equipment will provide increased machine capacity for payroll, administration and management information functions; establish data processing credibility as a management tool; provide remote locations with direct access to computer-stored programs on a timely basis; reduce report and data analysis costs; permit development of a centralized system for improved economy; increase speed and storage capacity by a factor of 10; and ultimately improve service to the tribes. Personnel assigned to the current modernization study should be increased by three over the next two-month period to complete the project by January 1978. Steps should also be taken to improve the training provided data processing personnel.

Unless this work is carried out expeditiously, additional computer capability will be required at area and agency locations. This as well as additional clerical costs due to the lack of computational capability represents a cost avoidance of $10-million annually by 1980.

20. Complete application analysis section of the modernization study by October 1, 1976

The current data processing function is incapable of providing the spectrum of data and reports needed by managers on a timely basis. In addition, many reports are inaccurate, making it necessary for agency personnel to maintain their own accounts. Although 35 different standards and/or procedures manuals are available or near completion, they are primarily for handling hardware and software at the division's data center. The customers' and managers' manuals are being developed. Consequently, a complete catalog of data and special-reports material is unavailable. Personnel skills as well as various application systems are becoming obsolete.

Application analyses should be made to determine data and report demands. When this is completed, the division must be staffed by personnel with experience in generating essential information. Manager awareness of computer capabilities—augmented by catalogued applications and reports— would serve as the basis for improved management training programs.

21. Add remote-access and interactive capabilities to reduce processing time and increase computer program development efficiency

Data processing information is now obtained in the field only by human intervention. Because the current system does not have interactive capability, a programmer cannot converse with the computer to expedite program development. Establishing interactivity would reduce program development time by a factor of 10. Procedures for program change do not permit appropriate access and inquiry systems. Without interactive capabilities and modern data-base management applications, land record and tribal roll program needs cannot be fully satisfied.

Area offices and some agency operations should have direct-access, data-file capabilities via voice-grade, off-hours WATS service connected to a printer at their location. Implementation will provide these offices with required access to computer-stored programs and data on a timely basis.

A separate study should be instituted to determine the feasibility of adding a "communication controller" to existing equipment. In addition, one area office should be equipped with remote terminals to accumulate experience would would assist in developing specifications for a modernized data processing system. Remote capabilities in the new equipment configuration would be based on area requirements. Present costs of program development are approximately $275,000. Using this approach, present output could be accomplished for $27,500. Yet, on the other hand, 10 times more program development could be produced with the same staff. However, no savings or cost avoidance claims are made in reference to this recommendation.

22. Develop an inventory system for a comprehensive equipment management system

BIA owns and operates approximately 5,444 pieces of equipment valued at almost $60-million. For purposes of comparison, the Department of the Interior owns 9,700 pieces, worth $114-million. Of the $6-million annually appropriated for new or replacement units in BIA, approximately 90% is classified as road construction equipment. Most of it is purchased new although a small percentage is provided by government excess listing.

A comprehensive equipment inventory system cannot be developed because nomenclature, standards and retirement/replacement criteria are nonexistent. Records are not updated to furnish this information. The department does not provide guidance, definitions, techniques or systems analyses. Therefore, nomenclature and identification systems vary radically and are not easily adaptable to data processing applications.

An equipment management system should be developed to include all BIA equipment. Operational-level records should be centralized for purposes of inventory management and integrated with large-scale utilization and purchasing activities. Equipment that does not meet established standards should be eliminated. Developing specific criteria and specifications for BIA equipment will permit a computerized inventory system.

Equipment utilization, particularly at agencies where budget limitations prohibit extensive purchases, will be enhanced by a centralized system which can assess utilization factors over large demand areas or for seasonal applications. Utilization criteria will also permit BIA to make more economical purchasing decisions. Improved lease, rental and quantity buying returns will ultimately release more budget dollars for program objectives. In addition, equipment will be properly amortized and replaced at reasonable intervals, reducing maintenance costs as well as downtime and providing documentation for new equipment purchases.

Implementation would save approximately $6.6-million annually, projecting a 10% reduction of the annual appropriation for new or used equipment and a 10% decrease in the present equipment inventory. In addition, another 40% annual saving attributed to the maintenance budget is not claimed.

23. Develop standardized material and supply inventory systems

Field operations in isolated areas require extensive facilities and equipment as well as substantial storage space for replacement parts. Since most of the facilities and equipment were purchased in the 1930s, an exhaustive inventory of replacement parts is necessary. The problem is further complicated by the diversity of equipment. Present procurement regulations including limited purchases from a single vendor aggravate the situation. Since the warehouses are decentralized, road maintenance, plant management, property/supplies, forestry/fire-suppression and land operation inventories are housed in separate facilities with limited management control and poor security. Insufficient communications among the agencies result in duplications in materials procurement.

A study should be made by the area offices to determine present material inventory utilization, specifications and warehouse requirements. Based on the findings, a plan should be developed to implement standardized warehouse practices—possibly adapted to data processing. It should include a bin system, location and identification card files. Using the plan, warehouses would be purged of obsolete items and lists of excess materials distributed to other areas. An exchange system could be installed among the agencies to prevent order duplications and reinforce bulk purchasing. Centralized guidance to coordinate specifications and utilization of future facilities and equipment should be provided.

The improved management of inventory systems, including standardization, particularly at the field level, will reduce overall expenses, prevent ordering delays and bring down the cost of preventive maintenance. Since 20% to 30% of present warehouse space is occupied by unnecessary equipment, developing an interagency equipment pool will eliminate storage of outdated replacement parts and allow more space for present operations. The one-time saving to be generated by purging warehouse inventories and identifying material utilization levels is estimated at approximately $20-million. The annual saving would be between $5- and $10-million.

Section III. ORGANIZATION STRUCTURE

During the course of this study, a number of organizational problems were observed. While many are referenced in other report sections, there is a need to modify the bureau's overall organizational concept. Although time constraints did not permit a detailed organization analysis, a "matrix" concept has been developed to serve as a basis for further refinement by the bureau.

Most federal entities are program-oriented, delivering related services to a similar client base. The BIA is also structured to serve its clients as a homogeneous group. In reality, however, both the client base and the services are as varied as the number of tribes within the total Indian population. As a result, spans of control—particularly at the area level—are too broad and agencies do not receive sufficient specialized program guidance. To provide effective administrative direction, spans of control within the bureau must be narrow enough for improved management efficiency yet sufficiently broad to supply appropriate expertise in program areas. Staff specialists must be available to oversee functional activities, generating data for program development, needs analyses and control systems.

To accomplish its objectives effectively, the BIA organization should be modified. At present, each level is self-contained with responsibility for both program and administrative activities. Under the proposed concept, alterations in the organization structure must be accompanied by major changes in management style and philosophy. Authority must be delegated to both central and field managers who have a clear understanding of their assignments and the criteria by which their performance will be evaluated. Although the new concept contains staff groupings and relationships which will facilitate this clarification, there is still a need to define appropriate interfaces between bureau units. Executive effectiveness can only be achieved by giving individual managers sufficient control to substantially influence performance. This delegation of important decisions to lower operating levels carries with it an inherent risk because of the bureau's trust and service commitments. However, this would be offset by the following aspects of the proposed organization.

> A planning and budgeting system would be included to provide both short- and long-term capabilities which emphasize maximum Indian participation and ensure appropriate exchanges of information. Both variance analysis and performance measurement would be part of the proposed system.
>
> An effective Management by Objectives program would be insitituted to provide a basis for performance evaluations as well as criteria for corrective action.
>
> Organizational interfaces would be established to form a system of internal checks and balances which ensure that managerial action involves the bureau's most qualified personnel.

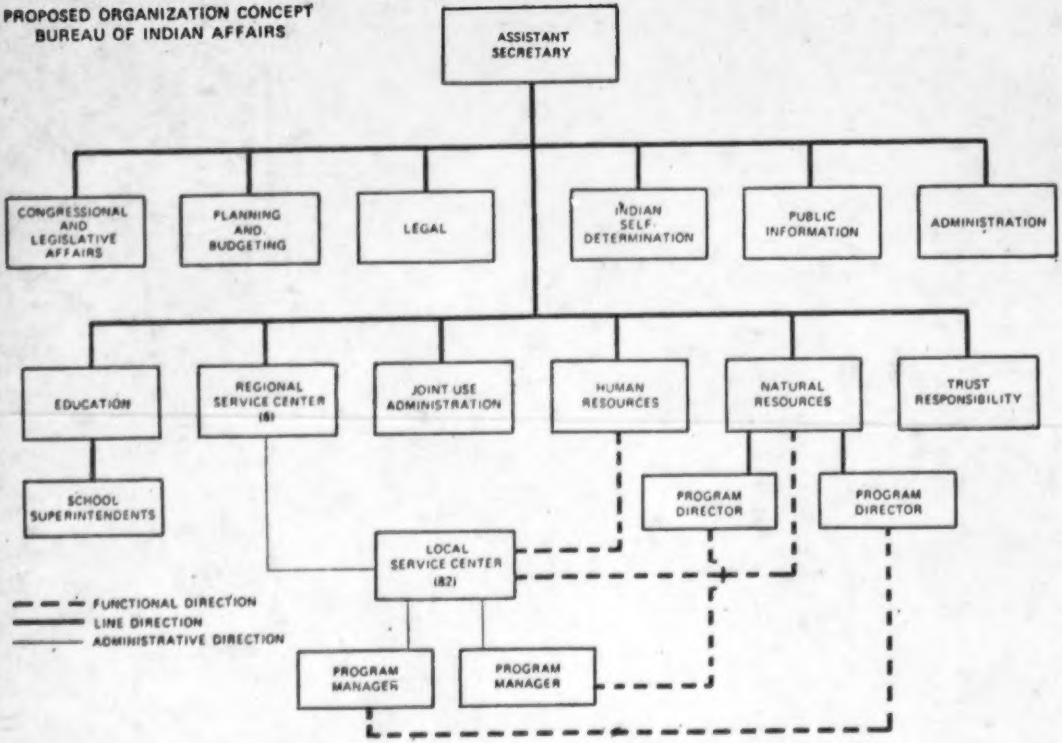
Accomplishing this last objective involves the utilization of a "matrix" system of organization. This generally refers to a structure in which an individual manager may have two or more reporting relationships—each encompassing a specific aspect of that manager's overall responsibility. Normally, these can be identified as functional, project or administrative relationships. For example, it is anticipated that area and agency managers would exercise administrative authority over their staffs while functional authority dealing with specific programs would be assigned to individuals at the central office level. Project management would be utilized to ensure completion of short-term assignments which require a cross-section of talents from various areas of the organization. However, project team members would remain subject to the administrative control of their respective unit managers.

The primary thrust of the matrix concept in regard to the bureau's present system is the separation of functional and administrative responsibilities. One of the major requirements of this approach is the establishment of clear relationships between organizational units. The mixture of reporting lines makes ground rules essential—spelling out clearly who does what, when and for whom. However, the matrix approach can be utilized to achieve benefits not possible in a more conventional structure. For example, specialized administrative and functional talents can be freely used throughout the organization without violating lines of authority. It also ensures consistency among organizational units in terms of policies, procedures, techniques and standards. All personnel responsible for services will receive direction from the same program specialist. Furthermore, it tightens communications links to higher levels of management. More importantly, the mixture of central office and agency influence will result in improved objectivity in making program decisions and should provide economies through the elimination of functional duplications in various line operations.

Structural changes to existing operating units within the bureau—as illustrated by the proposed conceptual chart on the following page—would be minor. However, the reporting relationships and assignments of responsibility, particularly at the area level, would be substantially altered.

Within the central office, the position of Commissioner of Indian Affairs should become an Assistant Secretary in the Department of the Interior to enable the incumbent to deal more effectively with other bureaus. The staff functions of Congressional and Legislative Affairs, Indian Self-Determination, Public Information, Administration and Joint Use Administration would remain essentially unchanged. In addition, staff functions of Planning and Budgeting as well as Legal would be included in the central office to provide the bureau with necessary internal expertise. However, Education would be substantially upgraded with all school superintendents reporting to the central office rather than to the area director as they do presently. Sufficient expertise must be provided within the central office to assist school boards and superintendents with ongoing activities and to develop long-range plans in areas such as curriculum, teacher recruitment, budgeting and the like. Increased Indian involvement in educational decisions will thus be encouraged and facilitated.

PROPOSED ORGANIZATION CONCEPT
BUREAU OF INDIAN AFFAIRS


ASSISTANT SECRETARY
CONGRESSIONAL AND LEGISLATIVE AFFAIRS
PLANNING AND BUDGETING
LEGAL
INDIAN SELF-DETERMINATION
PUBLIC INFORMATION
ADMINISTRATION
EDUCATION
REGIONAL SERVICE CENTER (8)
JOINT USE ADMINISTRATION
HUMAN RESOURCES
NATURAL RESOURCES
TRUST RESPONSIBILITY
SCHOOL SUPERINTENDENTS
PROGRAM DIRECTOR
PROGRAM DIRECTOR
LOCAL SERVICE CENTER (82)
PROGRAM MANAGER
PROGRAM MANAGER
FUNCTIONAL DIRECTION
LINE DIRECTION
ADMINISTRATIVE DIRECTION

The most significant alteration at the central office level would be the creation of two new management units—Human Resources and Natural Resources. They will provide functional control for all BIA programs and related activities, freeing area directors to concentrate on administrative matters. Functional activities to be managed by Human Resources would include housing, law enforcement, social services, tribal government, job placement, training and self-determination services. Natural Resources would encompass program areas such as business enterprise, financial assistance, roads and transportation, resource development and nonlegal operational aspects of the trust responsibility. In this regard, Trust Responsibility in the central office would continue to adminster activities related to legal and financial functions.

The principal responsibilities of the new resource units would include program planning and development activities to foster Indian self-determination and meet identified needs, monitoring and technical assistance services plus functional management responsibilities at the agency level. They would also provide control information for senior management and work with other federal agencies to secure maximum client benefit from appropriate programs. Advantages would include appropriate delineation of management responsibility for related activities, enhanced career opportunities to attract qualified personnel, provision of more efficient service delivery through effective central office monitoring, improved horizontal communication and program performance measurement.

With the establishment of these two resource units, it will be possible to eliminate the position of area director and replace it. At present, these employees interpose between central program development activities and agency service delivery functions. As a result, they restrict communication and inhibit rather than enhance the bureau's overall effectiveness. Transferring functional responsibility to the central office and service delivery accountability to the agencies will eliminate 12 area offices. Under the new organizational concept, six regional service centers will provide only administrative direction to local service centers—the enlarged agency. These responsibilities will encompass local service center management, training, wage and salary administration and routine daily operations. They will be specifically separated from program and service delivery functions. In addition, regional service center managers will have administrative responsibilities over a small staff of project specialists to supply specific services to local service centers where the work load is insufficient to justify a full-time specialist. These project specialists will have functional responsibilities to the appropriate central office program director.

These changes are designed to improve program uniformity, enhance service delivery, provide appropriate exchanges of program data between local service centers, ensure uniform performance evaluations of program effectiveness and improve opportunities for Indian participation. Under this concept, responsibility for program success will be moved closer to the tribes, improving overall control and reducing administrative overhead. Furthermore, it is anticipated that long-range plans include the elimination of regional service centers as Indian self-determination becomes a reality.

Although local service center structure will not change, the manager will have increased responsibility for service delivery as well as improved access to central office program specialists. In a similar fashion, program managers will receive administrative supervision from local service center managers and functional guidance from a central office program director.

Implementation of this organizational concept at all levels will enable BIA to assist the Indian people to achieve self-determination more rapidly. It will also strengthen relationships between tribal and bureau officials by developing opportunities to facilitate Indian participation in all program areas. In the future, ultimate implementation would permit integration of local service centers with tribal council offices, eventually eliminating local service centers. The anticipated elimination of 12 area offices and restructuring of six regional service centers would result in an annual saving of about $11-million based on current expenditures.

Section IV. IMPLEMENTATION

A number of problems which significantly dilute the overall effectiveness of the Bureau of Indian Affairs have been identified. For each problem, a solution has been proposed and the benefits which can be expected outlined. The recommendations of previous studies failed as effective management tools for the same reason: none of them had a specific mechanism for follow-up or "forced" implementation. In most instances, there was virtually no follow-through of the solutions suggested. Something more than problem identification and proposed resolutions is necessary.

The time, effort, manpower and creativity which have been utilized in preparing this report will be wasted if Congress fails to assure implementation of these recommendations as outlined. If Congress is to make long-lasting, meaningful improvements in the operation of BIA, it is imperative that the commission's recommendations be approved in principle. It is equally imperative that Congress establish a system for follow-up with a feedback mechanism to ensure implementation of approved proposals.

Congress should authorize the creation of a Management Improvement Implementation Review Office reporting to an appropriate management division in the Office of Management and Budget. The staff should be composed of appropriate professional and support employees. The professional expertise should encompass personnel and financial management as well as management information skills. One of the professionals should be a government employee, another should be from the private sector and one should be an Indian. These individuals would work with persons throughout the bureau to ensure implementation. They should be authorized to establish time frames for completion of specific recommendations and to make suggestions to persons throughout the bureau. They would be required to file quarterly reports as well as appropriate interim updates with the Commissioner of Indian Affairs. Additional copies would be sent to the Secretary of the Interior and appropriate congressional committees. These reports will give the review offce an opportunity to report progress while providing it with an effective vehicle for identifying areas where implementation problems are occurring. In addition, the management study team members should provide advice to the review office by meeting periodically to review implementation progress.

The Secretary of the Interior and the Commissioner of Indian Affairs should be required to highlight essential features of these reports during the annual budget presentations to Congress. This will ensure careful review of the reports and will also stimulate desired and essential management improvement throughout BIA.

Section V. DIGEST OF RECOMMENDATIONS

Recommendations	Action required	Financial impact	Estimated amount
BUDGET PROCESS			
1. Establish a formal planning system within BIA and integrate it into the present budget process.	Executive		
2. Reorganize budgeting, planning, and intergovernmental relations into 1 integrated organization.	Executive		
3. Stimulate Indian participation in the budget process	Executive		
4. Include all nonbanded area programs except trust funds in the agency budget formation process by fiscal 1979.	Executive	1-time cost	$50,000
5. Make the budget function responsible for variance analyses and performance reviews.	Executive		
6. Emphasize Indian participation and band analysis in the BIA budget review to the department, OMB, President, and Congress.	Executive		
7. Establish annual project planning at area and agency levels for all continuing programs and monitor performance quarterly on a personal basis, altering the plan to reflect status changes.	Executive	Annual saving	250,000
PERSONNEL MANAGEMENT			
8. Strengthen Indian preference to improve BIA effectiveness while continuing to hire, train and upgrade Indians for Bureau employment.	Executive		
9. Develop a human resources planning system using industrial engineering techniques to establish appropriate staffing levels and position requirement.	Executive	Annual saving 1-time cost	75,000,000 430,000
10. Develop an aggressive recruiting program to secure qualified or trainable Indians.	Executive	Annual cost 1-time cost	150,000 50,000
11. Reorganize the employment classification system to improve credibility.	Exeuctive		
12. Improve BIA employee relations practices	Executive	1-time cost	100,000
13. Develop training programs to meet specific BIA requirements.	Executive	Annual cost 1-time cost	80,000 200,000
14. Continue regular civil service evaluations and upgrade personnel-management quality through Department of the Interior project manager appointments.	Executive	Annual cost	42,000
MANAGEMENT INFORMATION			
15. Establish and install performance measurement standards.	Executive	Annual saving	15,000,000
16. Initiate a program to improve and facilitate general communications between central office and field supervisors.	Executive		
17. Develop a concise statement on critical issues.	Executive		
18. Improve the management by objectives program.	Executive		
19. Expedite the automatic data processing modernization study to insure completion by Jan. 1, 1977.	Exeuctive	Annual cost Avoidance	10,000,000
20. Complete application analysis section of the modernization study by Oct. 1, 1976.	Executive		
21. Add remote access and interactive capabilities to reduce processing time and increase computer program development efficiency.	Executive		
22. Develop an inventory system for a comprehensive equipment management system.	Executive	Annual saving	6,600,000
23. Develop standardized material and supply inventory systems.	Executive	Annual saving 1-time saving	5,000,000 20,000,000

Section VI. APPENDIX

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II. Summary of Prior Management Assessments
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VII. Band Analysis—Local Funding Priorities—Fiscal 1978
VIII. Central Office Computer Hardware
IX. Central Office Software Packages

EXHIBIT I

PRIOR ASSESSMENTS—LISTING OF TITLES AND TITLE CATEGORIES

Code No. and title	Author	Year
1 The American Indian and the BIA—1969	Alvin M. Josephy	1969
2 The 1961 Interior Department Task Force	Task force	1961
3 The Fund for the Republic Report	Task force	1961
4 Declaration of Indian Purpose	Task force	1961
5 The Presidential Task Force on the American Indian	Task force	1967
6 The Interagency Task Force of 1967 and the President's Message on Indian Affairs.	Task force	1967–68
7 Management Review of BIA (Preston Report)	Task force	1971
8 The Erosion of Indian Rights 1950–53	Felix S. Cohen	1953
9 The Indian's Quest for Justice (The Legal Conscience)	Felix S. Cohen	1960
10 (Proposed) Legislative Program (1976)	Bia staff	1975
11 BIA Management Review—Department of the Interior	Working group (S. Freeman project director).	1974
12 Land Management on Reservations (2 separate reports covering 4 reservations).	GAO	1974–75
13 Information on Federally Owned Submarginal Land Within or Adjacent to Reservations (17 separate reports covering 17 reservations).	GAO	1911–73
14 Various Reports on Delivery of Services (26 separate reports on various topics).	GAO	1968–75
15 Personnel Management of BIA Locations (11 separate reports on various area offices, agencies, schools).	CSC	1970–75
16 BIA Takeover by Trail of Broken Treaties	House Appropriations Committee	1973
17 Intermountain School	House Appropriations Committee	1975
18 Public School Survey of Construction Aid Needs	BIA contract with National Indian Training and Research Center.	
19 Report on Turtle Mountain Chippewa	House Appropriations Committee	1973
20 Committee Review of Program Agreement Between the Central Council of Tlingit and Haida Indians of Alaska and the BIA.	BIA/Tribal Review Committee representatives.	1973–74
21 Policy and Program Recommendations for Federal Strategy to Reach and Aid Business Development on Reservations.	Consultants for Office of Minority Business Enterprise.	1974
22 An End to Manifest Destiny—A Look at Tribal Recognition and Individual Rights to Services.		1972
23 American Indian Policy Review Commission Denver Hearings, May 1976.		1976

EXHIBIT II

SUMMARY OF PRIOR MANAGEMENT ASSESSMENTS

Problem areas	Report identification[1] 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Management	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X			X	X		X	
Accounting	X		X	X	X	X	X	X						X				X					
Management information	X		X		X	X	X		X			X	X	X									
Personnel	X	X	X	X	X	X	X	X	X		X			X	X				X	X			X
Intergovernmental relations	X			X	X	X	X		X	X	X			X		X	X	X	X				X

[1] Reference code number as listed in exhibit I.

EXHIBIT III

SUMMARY OF PRIOR SERVICE ASSESSMENTS

Problem areas	Report identification[1] 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Government policies	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	X		X	X	X	X	X
Programs	X	X		X	X	X	X	X	X	X	X	X	X	X		X	X	X	X		X	X	X
Facilities and natural resources	X	X		X	X	X	X	X	X	X		X	X	X			X	X					X
Financing	X	X	X	X	X	X	X	X	X	X		X	X	X					X				X

[1] Reference code number as listed in exhibit I.

EXHIBIT IV

DETAILS OF PRIOR MANAGEMENT AND SERVICE ASSESSMENTS

Problem areas	Report identification [1]																						
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Management	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X			X	X		X	
Administration	X	X	X				X	X	X		X	X	X	X	X				X	X		X	
Organization	X	X	X	X			X	X	X	X	X				X	X							
Line staff	X		X	X							X											X	
Communications	X	X		X	X		X	X			X	X	X	X	X					X			
Coordination	X										X								X	X			
Authority	X			X						X										X			
Accountability							X	X												X			
Planning				X	X		X					X	X	X					X	X		X	
Budgeting	X		X	X																		X	
Control								X				X	X	X					X	X		X	
Leadership	X										X												
Participation	X		X	X		X		X			X			X								X	
Procedures		X					X				X												
Accounting	X		X	X	X	X	X	X						X				X					
Planning				X	X		X							X									
Budgeting	X		X	X	X		X							X									
Controlling							X							X									
Participation	X		X					X						X									
Procedures	X													X									
Audits							X																
Statistical data	X					X	X							X				X					
ADP							X							X									
Management information	X		X		X	X	X		X			X	X	X									
Availability	X		X		X	X	X		X			X	X	X									
Usability	X				X	X	X		X														
Personnel	X	X	X	X	X	X	X	X	X		X			X	X				X	X			X
Quality	X		X		X	X	X	X	X						X								X
Quantity	X				X	X	X							X	X								X
Distribution	X		X				X				X				X					X			
Supervision															X								
Relations									X						X								
Training	X				X	X	X	X						X	X								X
Evaluation															X					X			
Advancement							X								X								
Planning															X								
Recruiting	X			X	X	X	X							X	X								X
Selection	X			X	X		X	X							X								
Employment					X	X	X	X	X					X					X				

EEO Indian preference															X								X
Morale																				X			X
Data															X								X
Intergovernmental relations	X			X	X	X	X		X	X	X			X		X	X	X	X				X
BIA to HEW, HUD, OMB, GAO and others	X			X		X	X		X	X	X			X		X	X	X	X				X
Congress State and local cooperation	X					X	X							X					X				
Coordination	X			X		X	X			X	X			X				X	X				
Accountability										X									X				
Position of BIA	X				X																		
SERVICES																							
Government policies	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	X		X	X	X	X	X
Policy	X	X		X	X	X		X	X	X	X					X				X	X	X	X
Trust responsibility	X			X	X			X	X	X		X	X	X		X						X	X
Paternalism and self-determination	X			X	X	X	X	X	X	X	X	X		X		X	X		X	X	X	X	X
Programs	X	X		X	X	X	X	X	X	X	X	X	X	X		X	X	X	X		X	X	X
Health	X			X		X		X	X	X				X		X							X
Education	X			X	X	X		X	X	X				X		X	X	X					X
Housing	X			X	X	X			X					X		X			X			X	X
Economic development	X			X		X		X	X	X		X	X	X		X					X		X
Need improvement	X					X			X			X		X									
Planning and coordinating				X		X	X				X			X		X							
Facilities and natural resources	X	X		X	X	X	X	X	X	X		X	X	X			X	X					X
Availability						X			X				X	X			X						
Utilization								X	X	X		X	X	X			X						
Development	X	X		X	X	X	X	X	X	X								X					X
Maintenance														X									X
Replacement														X									
Financing	X	X		X	X	X	X	X	X	X		X	X	X					X				X
Appropriated	X			X		X	X						X	X					X				X
Trust fund								X		X			X										X
Private grant																							X
Credit					X			X	X			X		X									X
Development	X	X		X	X	X	X	X	X	X								X					X
Maintenance														X									X
Replacement														X									
Financing	X	X		X	X	X	X	X	X	X		X	X	X					X				X
Appropriated	X			X		X	X						X	X					X				X
Trust fund								X		X			X										X
Private grant																							X
Credit					X			X	X			X		X									X

Reference code number as listed in exhibit 1.

EXHIBIT V.—*Budget development action sheet*

1 9/1–2/15 (CO) Develop Workshop Materials
2 1/1–3/1 (CO) Update Program Plan and Band Guidelines
*3 *2/1 (OMB) Target Planning Allowance to Department From OMB*
*4 2/15 (CO) Tentative Allocations to Areas/Agencies From Central Office
5 2/24 (CO) Band Guidelines Completed
6 2/24 (CO–AO) Area Program Officers Workshops
*7 3/15 (AO) Adjusted Area Base to Include Pay Raise to Central Office
8 3/15 (CO) Program Plan Guidelines Completed
9 3/15–4/15 (AO–AG) Workshops Conducted by Areas/Agencies
*10 *4/1 (DEPT) Target Planning Allowance to Bureau from Department*
11 4/1–5/15 (CO) Develop Target Planning Allowances for Areas by Location
*12 4/15 (CO) Provide Banded Target Planning Allowances to Areas by Location
*13 4/15 (DATA CENTER) Provide Data Forms to Agencies
*14 *4/15–6/15 (CO–AO–AG) Develop Local Bands*
*15 *4/20 (AO) Provide Banded Target Planning Allowances to Agencies*
*16 *5/15 (CO) Bureau Program Strategy Paper To Department*
*17 *5/15 (CO) Provide Non-Banded Target Planning Allowances to Areas by Location*
*18 5/15–6/15 (AG) Agencies Develop Agency Program Plans with Tribes
*19 5/15–6/15 (AO) Areas Develop Area Office Program Plans with Tribes
*20 5/20 (AO) Provide Non-Banded Target Planning Allowances to Agencies
21 6/1–7/15 (DEPT–CO) Prepare Secretarial Issue Paper
*22 *6/15 (AO) Bands Returned to Central Office*
*23 *7/1 (AO) Program Plans to Central Office*
24 *7/1–8/1 (Data Center) Update PPE System With Program Plans*
#*25 7/15 (OMB) Planning Allowance to Department from OMB
*26 8/1 (DEPT) Planning Allowance to Bureau From Department
*27 *9/1 (All Depts) Each Department Provides Interior with Indian Programs*
#28 9/15 (OMB–DEPT–CO) Estimates to OMB
*29 *9/24–11/1 (OMB–DEPT–CO) Hearings with OMB*
*30 9/30 (AO–AG) Indian Reaction to Proposed Budget to Central Office
*31 10/1 (CO) Proposed Funding Level for Indian Programs to Indians
*32 10/8–10/22 (AO–AG) Proposed Funding Level Reviewed by Indians
33 10/15 (OMB–DEPT–CO) Passback from OMB
#34 11/6–11/15 (OMB) OMB Allowances
#35 11/10 (PRES) President Submits Current Services Budget to Congress
#36 11/15–12/15 (DEPT–CO) Appeals and Budget Printing Process
37 *12/15–1/1 (DEPT–CO) Prepare Budget Justifications*
*38 *1/1 (ALL DEPTS) Each Dept. Provides Interior With Indian Programs In President's Budget*
#39 1/1 (DEPT–CO) Justifications to Congress
*40 1/15 (CO) Indian Programs In President's Budget Distributed to Field
#41 *1/15 (PRES) President's Budget to Congress*
42 2/15 (CO–DATA CENTER) Update Previous Fiscal Year Data in the PPE Data System
#*43 2/15–4/1 (CONG–DEPT–CO–TRIBES) House and Senate Appropriations Hearings
#44 3/15 (CONGRESS) Congressional Committees Recommendations to Budget Committees
#45 4/1 (CONGRESS) Congressional Budget Office Reports to Budget Committees
#46 4/15 (CONGRESS) Budget Committees First Concurrent Budget Resolution to Congress
#47 5/15 (CONGRESS) Congress Completes Action On First Concurrent Budget Resolution
#48 5/15 (CONGRESS) Legislative Committees Report on Authorizing Legislation
#49 9/7 (CONGRESS) Congress Passes Money Bills
#50 9/15 (CONGRESS) Congress Passes Second Budget Resolution
#51 9/25 (CONGRESS) Congress Completes Action on Reconciliation Bill

#52 10/1 (CONGRESS) Fiscal Year Begins
#53 11/1–1/1 (CO) Distribution of Funds to Areas
#54 12/1–10/1 (DATA CENTER–CO) Periodic Review of Program Plan Progress

Legend

*PL 73–383.
#PL 93–344.
CO Central Office (BIA).
AO Area Office (BIA).
AG Agency Office (BIA).
DEPT Department of the Interior.
OMB Office of Management and Budget.
PRES President of the United States.
CONG Congress.

EXHIBIT VI

BANDED/NONBANDED PROGRAM FUNDING—FISCAL 1976 AND 1977

[In thousands of dollars]

	Fiscal year—	
	1976	1977
Banded programs:		
Education and training, general	$7, 155. 0	$7, 185. 8
School operations (including tribal)	135, 748. 3	136, 001. 6
Direct instruction	1, 207. 3	1, 202. 2
Informal learning	851. 2	860. 9
Residential center training	103. 1	90. 7
Vocational training, institutions	16, 964. 8	17, 063. 8
College student assistance	4, 009. 5	4, 903. 2
All other career development	2, 470. 9	2, 422. 2
Special education experiences	1, 229. 9	1, 281. 5
Operation of previously private schools	1, 600. 0	1, 600. 0
Community services, general	93. 9	109. 4
Agricultural extension services	2, 192. 5	2, 281. 2
All other aid to tribal governments	4, 139. 8	4, 529. 7
All other social services	8, 046. 9	8, 760. 2
Housing	13, 028. 6	13, 961. 9
Commercial development, general	31. 7	24. 5
All other commercial enterprise development	1, 932. 2	1, 717. 6
All other credit and finance	2, 786. 1	2, 845. 5
Credit and finance	1, 290. 0	1, 290. 0
All other direct employment assistance	10, 259. 9	11, 099. 4
Road maintenance	9, 165. 1	9, 993. 0
Airstrip maintenance	5. 3	8. 5
Trust service, general	75. 6	106. 0
Environmental quality services	650. 9	697. 5
All other rights protection	2, 745. 5	3, 091. 2
Real estate services	11, 888. 5	12, 391. 6
Financial trust services	1, 960. 4	2, 056. 0
Natural resources, general	95. 5	115. 0
Agriculture	14, 730. 4	16, 027. 0
Forestry	7, 988. 2	8, 260. 4
Minerals and mining	154. 8	152. 5
Water resources	31. 0	676. 2
Wildlife and parks	548. 3	545. 4
Facilities, general	132. 2	37. 0
Facility O and M	50, 986. 8	53, 343. 5
Executive direction	4, 361. 0	5, 089. 9
Program development and budget	2, 976. 8	2, 849. 9
Safety management services	668. 5	736. 5
All other administrative services	15, 124. 7	15, 331. 8
Subtotal, banded programs	339, 431. 6	350, 740. 2
Nonbanded programs:		
Education and training, general	3, 442. 3	3, 220. 0
School operations (including tribal)		3, 000. 0
Aid to public schools	30, 002. 0	27, 002. 0
Vocational training, institutions		305. 0
College student assistance	28, 043. 0	28, 952. 1
All other career development	490. 6	513. 1
Special education experiences		
Operation of previously private schools		
Community services, general	166. 0	166. 0
Comprehensive planning	1, 216. 0	771. 0
Tribal government development	2, 896. 0	
Tribal courts		
Agricultural extension services	38. 0	38. 0
All other aid to tribal governments	3, 174. 4	1, 119. 4
Welfare grants	55, 070. 0	59, 825. 0
All other social services	394. 5	482. 8

EXHIBIT VI

BANDED/NONBANDED PROGRAM FUNDING—FISCAL 1976 AND 1977—Continued

[In thousands of dollars]

	Fiscal year—	
	1976	1977
Law enforcement	23,364.5	23,381.8
Housing	984.0	1,286.0
Contract support	10,700.0	10,700.0
Training and technical assistance		4,417.0
Self-determination grants		16,500.0
Commercial development, general	250.0	254.3
Indian business development program	8,500.0	8,500.0
All other commercial enterprise development	996.0	744.2
Direct loans	3,000.0	
Interest subsidies and loan costs	8,400.0	18,400.0
All other credit and finance	269.0	273.0
Credit and finance	310.0	310.0
Navajo-Hopi settlement programs	2,037.4	1,961.0
On the job training	2,080.0	2,280.0
Indian action teams	13,507.0	13,520.0
All other direct employment assistance	255.0	309.0
Road construction		24,602.0
Road maintenance	81.0	176.0
Indian arts and crafts board	714.1	724.0
Trust service, general	286.0	305.0
Environmental quality services	166.0	178.0
All other rights protection	1,079.0	2,390.0
Real estate services	1,519.0	1,454.0
Financial trust services	246.0	311.0
Natural resources, general	110.0	276.0
Agriculture	1,363.0	1,215.6
Forestry	190.0	213.0
Minerals and mining		
Irrigation and power construction	30,082.0	29,250.0
Irrigation O and M (appropriated)	2,932.0	2,928.0
Wildlife and parks		18.0
Facilities, general	4,916.0	5,832.0
Facility construction	29,157.5	13,210.0
Facility improvements	5,333.2	960.0
Facility O and M	544.0	1,458.2
Public school construction	7,881.0	
Executive direction	1,622.4	1,382.9
Program development and budget	681.6	681.6
Safety management services	312.5	312.5
All other administrative services	8,879.5	9,085.9
ADP operations	2,772.9	3,972.9

EXHIBIT VI

BANDED/NONBANDED PROGRAM FUNDING—FISCAL 1976 AND 1977—Continued

[In thousands of dollars]

	Fiscal year—	
	1976	1977
Nonwork costs	1,286.0	1,154.0
Emergency or disaster work	800.0	800.0
Adjustment		60,816.0
Subtotal, Nonbanded programs	302,540.4	391,937.8
Subtotal, controllable programs	641,972.0	742,678.0
Miscellaneous Appropriations:		
Irrigation O and M (receipts)	6,850.0	6,850.0
Power O and M (receipts)	5,816.0	5,816.0
Alaska Native claims	72,000.0	32,000.0
Claims and treaties	200.0	200.0
Minerals and Mining	950.0	1,116.0
Trust funds (tribal resource income)	271,358.0	267,089.0
Subtotal, uncontrollable programs	357,174.0	313,071.0
Total, BIA budget authority	999,146.0	1,055,749.0
Total, BIA budget outlays	1,077,600.0	1,047,900.0

EXHIBIT VII

BAND ANALYSIS—LOCAL FUNDING PRIORITIES—FISCAL 1978

[Dollars in thousands and tenths]

Location Name		1977 Base			Location Code			
					1978 constrained			
Program	Line code	1977 band plus new programs	Adjustments	Total base	Lower	Target	Higher	1978 need
Education and training, general	01-1000							
School operations	02-1100							
Additions to regular JOM in 1978	03-1100							
Administrative services:								
Program development and budget	39-7261							
Safety management services	40-7271							
All other administrative services	41-7299							
Road construction (obligations)	42-3400							
Total, above	43-0000							

EXHIBIT VIII

CENTRAL OFFICE COMPUTER HARDWARE

Quantity	Description	Date installed	Monthly rental	Monthly upkeep	Purchase price
1	CDC 3150 computer system, Government owned, equipped with decicated peripherals: 5—No. 604 tape units and controller. 1—No. 512 1 line printer and controller. 1—No. 405 card reader and controller.	January 1968		$1,915	$575,750
1	CDC 3170 computer system, leased, equipped with Government-owned decicated peripherals: 5—No. 604 tape units and controller. 1—No. 501 line printer and controller. 1—No. 3254 line printer and controller. 1—No. 405 card reader and controller.	May 1973 January 1968	$7,666	1,218 1,531	 364,174
	Mass storage, shared equally by Nos. 3150 and 3170 systems, includes: 1—CDC No. 841-8 multiple disk drive and controller. 8—CDC No. 854 disk drive and controller.	January 1969		1,510	242,740
1	MDS No. 2400 key-storage system, leased, equipped with 12-key stations 2-tape units 1-dual disk drive.	January 1975	2,345	259	
2	NCR No. 735 key-to-tape recorders with data communications, Government owned.	October 1969		[1] 35	[1] 2,550
1	Singer-Friden No. 4311 key-to-tape recorder with data communication, leased.		259		
1	Singer-Friden No. 4301 key-to-tape recorder, leased.		138		
2	IBM No. 129 key punch with verifier, leased	April 1973	[1] 175		
1	IBM No. 026 printing card punch, leased	November 1966	94		
1	IBM No. 047 tape-to-card converter, leased	January 1967	187		
1	IBM No. 026 printing card punch, leased	November 1966	60		
1	IBM No. 083 card sorter, leased	February 1972	80		
1	IBM No. 519 reproducing punch, leased	do	105		
1	IBM No. 557 interpreter, leased	do	129		
	Total		11,513	6,503	1,187,764

[1] Each.

EXHIBIT IX.—*Central office software packages*

Software description:	Purchase/lease
COBOL: A programming language which uses English language terms and simplifies programming of business data processing problems.	N/A.
MSSORT: A generalized sorting and merging program which uses mass storage devices for intermediate storage.	N/A.
FORTRAN: Provides a convenient language for expressing mathematical and scientific problems in familiar notation.	N/A.
ANSI FORTRAN: A version of Fortran which conforms to specifications set out by the American National Standards Institute (ANSI).	N/A.
COMPASS: Assembly language for CDC 3000 Series computers. Used primarily for the operating system and for programs and subroutines which would be cumbersome or impossible to write in a higher level language.	N/A.
ALGOL: A language for expressing logarithms. Primarily a language for mathematical and scientific problem solving.	N/A.
COSY: A program for maintaining source programs in a compressed form on either mass storage or magnetic tape.	N/A.
LISA: A set of routines to allow use of mass storage files in linked index sequential access form.	N/A.
LIRE: A utility program to provide backup dumps, reloads and reorganizations of LISA files.	N/A.
COGO: A problem-oriented computer language and programming system for solving geometric problems in civil engineering.	N/A.
QWICK QWERY: A system for permanently defining data files and then using these definitions to describe the requirements of a report. This is a relatively simple way to produce a report from a pre-defined data file. This is a nontransferable proprietary program.	Lifetime lease December 1969, $27,000.
USER: This is an internally developed system for cataloging, retrieving and updating executable object programs.	N/A.
INDEX: A program to produce statement number and variable name cross-reference listings of single and/or grouped Fortran programs/subroutines/functions.	N/A.
TIDY: A program to clean up a Fortran source program by doing such things as renumbering statement numbers, realigning Fortran statements and numbering the source records.	N/A.
VERTRAN: A program for converting a COBOL program to ANSI standard, word translations through a user-supplied table and possibly converting certain special characters.	N/A.
TABLTRAN: A program for translating decision logic tables to COBOL source code.	N/A.
BLUDGEON: A tape library utility program which maintains a tape library master file and produces listings and reports for use by tape librarians and the user.	N/A.
COBOL CROSS REFERENCE: Produce cross-reference listings of COBOL source programs producing cross-references of data names and procedure names for single COBOL programs or of data names only for groups of COBOL programs.	N/A.
PLOTTER SOFTWARE: Calcomp basic software is a set of subroutines that generates output for controlling a Calcomp plotter. Calcomp functional software is a set	Lifetime lease September 1972, $900.

of programs or subprograms which perform plotting functions frequently used in many different applications. These are nontransferable proprietary programs.	
PERT-TIME: Program evaluation and review technique is used to plan, monitor and evaluate projects and programs from the standpoint of time.	N/A.
AUTONET: Automatic network display program generates graphic displays of CPM or PERT networks as defined by the CPM/PERT program on a CALCOMP plotter. This program, as modified, uses part-time output directly as input. This is a nontransferable proprietary program.	Lifetime lease October 1973, $7,000.
SAMPS: Calcomp subdivision and map plotting system program generates graphic displays of computations for subdivision design, mapping or related surveying projects. This is a nontransferable proprietary program.	Lifetime lease August 1974, $6,500.
FLOBOL: A routine which accepts as input a COBOL source program and generates a detailed logic diagram, an analyzer list and a cross-reference of data names and procedure names to specific COBOL statements.	N/A.
SORT/SELECT: A modification to MSSORT which allows records to be selected and/or rejected or modified simply by coding selection/modification/rejection criteria into parameter cards.	N/A.